

# NOMINATION OF MARGARET M. WEICHERT

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## HEARING

BEFORE THE

COMMITTEE ON  
HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE  
ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

NOMINATION OF MARGARET M. WEICHERT TO BE DEPUTY DIRECTOR  
FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET

DECEMBER 14, 2017

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## NOMINATION OF MARGARET M. WEICHERT

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THURSDAY, DECEMBER 14, 2017

U.S. SENATE,  
COMMITTEE ON HOMELAND SECURITY  
AND GOVERNMENTAL AFFAIRS,  
*Washington, DC.*

The Committee met, pursuant to notice, at 10 a.m., in room 342, Dirksen Senate Office Building, Hon. James Lankford presiding.

Present: Senators Lankford, Daines, McCaskill, Carper, Tester, Heitkamp, Peters, Hassan, and Harris.

### OPENING STATEMENT OF SENATOR LANKFORD

Senator LANKFORD. Good morning, everyone. Today we are considering the nomination of Margaret Weichert to be the Deputy Director for Management at the Office of Management and Budget (OMB).

The Committee takes these nominations very seriously and we are pleased to have a strong nominee before us today for this critical leadership role. As Chairman of the Subcommittee on Regulatory Affairs and Federal Management (RAFM), I can tell you I am particularly interested in the work of the Office of Management and Budget.

Ms. Weichert comes to government service after a highly successful career in the private sector, where she was a leader in the financial and electronic payment technologies, an entrepreneur, a proven executive. Throughout her career she has demonstrated particular skill at strategic planning and policy implementation, as well as leading large departments of people.

Ms. Weichert received her bachelor of science from Georgetown School of Foreign Service in 1989. She then went on to study economics as a Rotary Scholar at the University of Sussex, and later earned her MBA from the University of California, Berkeley in 1995.

Ms. Weichert began her career at Accenture in 1995, her work there focusing on the fast-changing world of e-commerce, which has changed quite a bit since 1995. Ms. Weichert took this experience and used it to launch her first of her own companies, Achex.

Ms. WEICHERT. Achex.

Senator LANKFORD [continuing]. Achex; got it—an alternative electronic payment company, which she later successfully sold to First Data Corporation. After time at First Data Corporation, Ms. Weichert continued her prestigious career at Bank of America, before leaving to found her own consulting group, the Morgan Weichert Group, while also serving as a principal at two other

consultancies, Market Platform Dynamics and the Global Economics Group. Most recently, Ms. Weichert was a principal at Ernst & Young.

Ms. Weichert, thank you for being here today, for bringing your business acumen to the Federal Government service. I look forward to hearing more about you and your plan to bring these successes and these experiences, and the wisdom that you bring with it to bear for the support of the mission of the Office of Management and Budget.

Committee staff reached out to a variety of your colleagues and affiliates, as you know well, because they probably called you right after committee staff talked to them. All of those individuals that we talked to spoke very highly of you. Committee staff also had the opportunity to be able to interview Ms. Weichert on an array of issues. Ms. Weichert has thoughtfully and competently answered each question put to her as part of the vetting process.

To date, the Committee has found you to be qualified for the position to which you have been nominated so we are moving on to this level and this layer of the process.

Again, we look forward to hearing more from you during this hearing, and I will recognize Ranking Member Peters for his opening statement.

#### **OPENING STATEMENT OF SENATOR PETERS<sup>1</sup>**

Senator PETERS. Well, thank you, Mr. Chairman, and thank you, Ms. Weichert, for being here today and for your willingness to serve as well.

In reviewing your qualifications, I noticed your particular expertise and interest in payments technology and modernization. That is something that I have actually been personally working on here in the Senate, and I hope that it is something that we can work on together in the future, should you be confirmed.

As we consider your nomination, I want to acknowledge the widespread agreement in this room today that we should always be finding ways to work together in a bipartisan way to make government more efficient and more effective for the American people. This Committee has a strong record of bipartisanship accomplishment and holding government officials accountable, protecting whistleblowers, empowering the inspector general community, cutting unnecessary red tape, and conducting diligent oversight to root out instances of waste, fraud, and abuse.

That is what I am looking out for, as the Ranking Member of the Federal Spending Oversight (FSO) Subcommittee of this Committee, and I know the Deputy Director for Management position at OMB plays a very important role in this effort as well.

We need to make sure that we empower Federal Agencies with the resources, the talent, and the expertise that they need to carry out their critical missions instead of undermining them or making blunt policy choices, while also looking out for opportunities to reduce inefficiencies, streamline government operations, and avoid duplications of effort.

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<sup>1</sup>The prepared statement of Senator Peters appears in the Appendix on page 21.

Ms. Weichert, I hope you share these goals and I look forward to hearing more about your management agenda and your specific plans for improving the Federal Government procurement policies, the information technology (IT) systems, and financial and personal management practices. We should approach these issues remembering that we have been entrusted as stewards of the taxpayer dollars and that we should work together so that government works for everyone.

Again, I look forward to your testimony.

Senator LANKFORD. Ms. Weichert, it is the custom of the Committee to swear in all witnesses that appear before us, so if you would not mind, please stand and raise your right hand.

Do you swear that the testimony that you will give before this Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Ms. WEICHERT. I do.

Senator LANKFORD. Thank you. You may be seated. Let the record reflect that the witness answered in the affirmative.

Ms. Weichert, we would like to recognize you for your opening statement and then we would like to be able to just ask some follow up questions from there. If you do not mind, during your opening statement, to also introduce any family or friends that have joined you, so this Committee can get a chance to see some of those folks, and you can recognize some people that have traveled a long way to be able to be here with you.

Ms. WEICHERT. Sure.

Senator LANKFORD. Thank you.

**TESTIMONY OF MARGARET H. WEICHERT<sup>1</sup> TO BE DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET**

Ms. WEICHERT. Thank you, Mr. Chairman, and I would like to thank you, the Ranking Member, and the Members of the Committee for your gracious welcome.

It is an honor to appear today before this Committee as the nominee for Deputy Director for Management at the Office of Management and Budget. I would also like to thank my family for joining today. My two boys, James and Andrew are here getting a real-life civics lesson, and my parents, Ed and Mary Alice Morgan, are here from wintry upstate New York to support me. It is even more special because today is my mother's birthday, so happy birthday, Mom.

Senator CARPER. You know that means we are going to have to ask really tough questions. No softballs on her birthday. [Laughter.]

Ms. WEICHERT. I really appreciate their support and encouragement, in spite of long hours and much time spent away from home.

My motivation to leave our home in Georgia and the private sector for a role in Washington is rooted in a long family tradition of public service. I am following in the footsteps of family members who served the country through military service, elected office, in State government, and in the Postal Service.

<sup>1</sup> The prepared statement of Ms. Weichert appears in the Appendix on page 23.

I would also like to thank the Members of this Committee and their staffs for meeting with me and sharing perspectives on key management issues facing our country. If confirmed, I look forward to working with you to identify and implement innovative management solutions. Finally, I would like to thank the President and OMB Director Mulvaney for inviting me to serve. I feel humbled and honored as I embark on my first experience in public service.

The Deputy Director for Management is an important role charged with leading a broad range of disciplines that provide the management foundation for the core missions of government. In and of themselves, functions like IT, information security, human capital management, finance, accounting, performance management, and procurement may not be inherently exciting, but these functions provide necessary and essential capabilities needed to support the work of government agencies.

The management function at OMB is challenged to use a fact-based approach to balance financial stewardship and efficiency with effectiveness and transparency. Government agency missions vary widely, but all rely on management capabilities. Whether rescuing families and their dogs, cats, and livestock from fires in California or floodwaters in Texas, helping small businesses compete for government contracts, or allowing farmers to efficiently get loans or crop insurance, or supporting the health care needs of our veterans, the business of government in every case relies on mission-critical management services.

Twenty-plus years in the private sector should position me well to drive transformational change and better align Federal Government management capabilities to the realities and needs of the 21st Century. Building on an academic background in economics, management, and finance, I have spent the last 20-plus years driving customer and shareholder value in publicly traded companies and as an entrepreneur. I have direct experience with P&L management, budgeting, capital allocation, new product development, innovation, risk and compliance, financial reporting and analytics, and business development. I have done these activities as an employee of two large publicly traded companies, Bank of America and First Data, and as a consultant to large publicly traded companies in the financial services, financial technology, and retail industries.

In these private sector roles, I have been privileged to use a wide range of leading practices, including Six Sigma, Design for Six Sigma, Agile development, business process automation, and user-centered design to create and implement complex transformational change agendas with strong positive financial and customer experience impacts.

In all my private sector roles, I have sought to bring a spirit of innovation and a passion for doing the right thing, to drive breakthrough results and thinking. I have led large teams of diverse talent to achieve results that even they did not believe possible. And I have been as excited about innovating and support areas, like payments, accounts payable, and commercial cash management, as I have been about innovations in mobile banking or online payments. Many of these innovations, even in non-customer-facing



areas, were innovative enough to result in 14 successful U.S. patents.

My hope, if confirmed, is to bring this spirit of innovation, combined with private sector practices, to driver greater efficiency, effectiveness, and transparency in Federal management functions. Moreover, I would like to build on existing management successes to create and implement a transformational vision for the 21st Century management.

Through the President's Management Agenda and the President's Management Council, if confirmed, I would focus on three transformation areas. The first would be IT modernization; the second, data accountability and transparency; the third, people and the workforce for the 21st Century.

In conclusion, I would like to thank you for your input and consideration. If confirmed as Deputy Director for Management, I look forward to working with you to improve the efficiency, effectiveness, and transparency of the Federal Government through improvements in management competencies.

Thank you again. I look forward to answering your questions.

Senator LANKFORD. Thank you. Ms. Weichert, I need to ask three mandatory questions that we ask of all nominees before they come before this Committee and then I am going to defer questions to the end, and the Ranking Member Peters will then ask questions.

The first question, is there anything that you are aware of in your background that might present a conflict of interest with the duties of the office to which you have been nominated?

Ms. WEICHERT. No.

Senator LANKFORD. Do you know of anything personal or otherwise that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Ms. WEICHERT. No.

Senator LANKFORD. Last question, do you agree, without reservation, to comply with any request or summons to appear and testify before any duly constituted committee of Congress if you are confirmed?

Ms. WEICHERT. Yes.

Senator LANKFORD. Thank you very much. Ranking Member Peters.

Senator PETERS. Thank you, Mr. Chairman.

Ms. Weichert, I would like to confirm that a few of the answers in your questionnaire remain the same today as you appear before us.

As you know, conducting oversight of the Executive Branch is one of the most critical functions of this Committee, and so I am going to read you a few questions from your questionnaire and just to ask whether you would respond yes or no in public today.

If confirmed, do you agree, without reservation, to reply to any reasonable request for information from the Ranking Member of any duly constituted committee of Congress?

Ms. WEICHERT. Yes.

Senator PETERS. If confirmed, do you agree, without reservation, to reply to any reasonable request for information from Members of Congress, generally, regardless of party affiliation?

Ms. WEICHERT. So I look forward to working with Congress on all of the issues that are relevant to this Committee and to others, and I seek to be as open and proactive in sharing responses and working with those Members.

Senator PETERS. The question said reasonable requests, so are you open to working—

Ms. WEICHERT. Yes.

Senator PETERS [continuing]. On reasonable requests?

Ms. WEICHERT. Yes.

Senator PETERS. Thank you. If confirmed, do you commit to take all reasonable steps to ensure that you and your agency comply with deadlines established by Members of Congress for a request of information?

Ms. WEICHERT. Yes.

Senator PETERS. Well thank you.

Ms. Weichert, the position you are nominated for is the third-highest ranking position at OMB, and you have indicated in your questionnaire that you expect Director Mulvaney to delegate responsibility for much of OMB's management agenda to you?

Ms. WEICHERT. Yes.

Senator PETERS. So that being said, since the time you have completed your questionnaire, Director Mulvaney has chosen to accept another role, as also the acting Director at the Consumer Financial Protection Bureau (CFPB). As far as we know, for the time being, he is only planning to be around the OMB maybe a couple of days, maybe three. We are not sure how much time he is actually going to be at OMB. And I certainly did not realize that the Director of the Office of Management Budget as a part-time job, but apparently it is a part-time job now.

But Ms. Weichert, do you believe that the position of OMB Director should be a full-time job or a part-time job?

Ms. WEICHERT. I believe it is a full-time job and I believe the Director is operating two full-time jobs. He has experience doing that in the private sector as well, when he was running a small business. So, absolutely, I believe it is a full-time job.

Senator PETERS. So a 40-hour work week?

Ms. WEICHERT. Yes. The Director is working two full, all-day, every-day jobs.

Senator PETERS. OK. Although you expect to become the point person for key management functions at OMB, if confirmed, what do you intend to do if the Director is just not there and you need to have a face-to-face conversation with the Director, and he is on his day working, or maybe not there?

Ms. WEICHERT. So business as usual is continuing at OMB since the announcement a couple of weeks back, and I have not, in my role as senior advisor, had any challenges being in touch with the Director. He is highly responsive to all the requests that the Management Office has had. So, he is responding to emails, and his actual physical location is literally across the street, so there has not been any challenges in that regard.

Senator PETERS. To what extent have you discussed this dual hat arrangement with the Director, and how would you expect, as your role as Deputy Director for Management to change if he remains at the CFPB, if this part-time job continues for the long time?

Ms. WEICHERT. So I have not had a private conversation with the Director on this topic, but in sharing with the staff broadly at the OMB, he made it very clear a couple of things, that he takes the independence in both roles very seriously, and he anticipates working both jobs in full-time capacity. And, again, I do not foresee any challenges and have not seen any major shifts in how the organization is operating.

Senator PETERS. Very well. To be effective and secure in cyberspace, every Federal department and agency requires a modern, defensible network architecture. Yet today, even though the Federal Government spends about \$80 billion every year on IT, nearly every government agency procures and manages its own IT infrastructure, as I know you are aware. This means that each agency independently identifies and assesses possible vendors, which often results in significant duplication, huge price variances across the government, and also inconsistent security outcomes.

The Obama Administration began to address this challenge by beginning to transition toward cloud technologies and other shared security services, and you have indicated in your testimony, both written as well as orally here today that IT modernization will be a major priority for you, if you are confirmed.

So if confirmed, would you tell us more specifically what you would do to reduce the cost and achieve operational efficiencies needed to meet today's significant cyber security challenges?

Ms. WEICHERT. So thank you for the question and I really appreciate it. It is an absolutely urgent issue facing the country.

There are a couple of things that really jump to mind. I think a lot of the work that has already happened around moving to the cloud, and shared services focus heavily on improvements in efficiency. I also think, in reference to the point you made about paying different amounts across government for effectively the same service, there is an initiative around technology business management (TBM), looking at creating data standardization and taxonomy across government, so we really can compare like with like and get the best deal for the American people. I think that is another major initiative that I think is linked to the challenge that you raised there.

Senator PETERS. Are you concerned that the Federal Chief Information Officer (CIO) position remains unfilled?

Ms. WEICHERT. One of my priorities, if confirmed, would be to really get all of the positions filled, and I know the Director is actively working on doing so. So I would absolutely want to see that position filled as soon as possible.

Senator PETERS. And there are many unfilled positions all across Federal Government, in these CIO positions. You will be working to fill those as well, or at least expressing the urgency of getting these vital positions filled?

Ms. WEICHERT. Absolutely expressing the urgency. I think it is quite obvious, when I have met with the Chief Information Officer Council (CIOC) that that is a critical need, and actually elevating the profile of CIOs in government is something that I think is very important.

Senator PETERS. Great. Thank you so much.

Ms. WEICHERT. Thank you.

Senator LANKFORD. Senator Hassan.

**OPENING STATEMENT OF SENATOR HASSAN**

Senator HASSAN. Thank you very much, Mr. Chairman, and Ranking Member, and good morning and congratulations on your nomination, and congratulations and thank you to your family as well. This is a family commitment and affair, and thank you for sharing, and particularly to your sons, thank you for sharing your mom with us.

Ms. Weichert, if you are confirmed as Deputy Director, you will be responsible for overseeing program evaluation activities. This evaluation of programs net effects, their successes and failures, and improvement strategies is absolutely critical to ensuring that we are putting Federal dollars to their best possible use, on scaling back or eliminating ones that do not work. As you said earlier, most of your experience has been in the private sector where I am sure you evaluated programs and procedure regularly, and you have now also spent some time as a senior advisor at OMB.

Based on your experience in and out of government, how do you think we should be evaluating government programs? What metrics should we be using, and do our existing evaluation tools capture the right information?

Ms. WEICHERT. So thank you, Senator. I appreciate the question. I think it is a very important question. In my role as senior advisor, I have gotten familiarity with some of the metrics that are in place and some of the tools that are used for oversight and accountability around our programs. There are a number of websites that share data with the public. There is [spending.gov](http://spending.gov). There is [paymentaccuracy.gov](http://paymentaccuracy.gov).

And one of my priorities in the second sort of pillar I mentioned around data accountability and transparency would really be to understand and get a baseline of all of those metrics, all of the elements of data that we are sharing, both internal to government and externally, and get a taxonomy and a framework so that we can efficiently and effectively report without creating undue burden on agencies—

Senator HASSAN. Right.

Ms. WEICHERT [continuing]. But actually get to actionable intelligence. And I think that is maybe the most important thing. I see a lot of reporting. I am not yet clear on exactly which things are most effective—

Senator HASSAN. Right.

Ms. WEICHERT [continuing]. And that would be a priority for me.

Senator HASSAN. OK. That makes sense. There have been some proposals to devote a portion of every program's funding to actually evaluating the program. Do you support that kind of proposal?

Ms. WEICHERT. I have not seen the specific proposal so I do not know in detail. What I can say is it is a leading practice to have evaluation and QA capabilities built into programs broadly.

Senator HASSAN. Yes.

Ms. WEICHERT. But I would want to see what the proposal looked like.

Senator HASSAN. Yes. I mean, one of the things that strikes me is we really do not necessarily go through an evaluation process

with so many of our programs in a meaningful way, partly because coordination and evaluation takes resources——

Ms. WEICHERT. Absolutely.

Senator HASSAN [continuing]. And it takes focus. And so you have to figure out a way to devote those kind of resources up front, and that what might be one way to do it.

I wanted to turn now to another priority you talked about broadly. We know that we are going through rapid change in this economy, and automation poses some challenges for us in the Federal Government. As a member of both this Committee and the Health, Education, Labor, and Pension (HELP) Committee, I am cognizant of the need for both the Federal and private workforces to address the challenges that automation may cause for workers in the coming decades, from putting formerly paper forms online to digitizing parts of the customs process in international airports. We can already see the impact of automation on many areas of Federal Government.

Given your background in online transactions, a field that has changed dramatically in the past decade due to advanced technology, I expect this is something you have given some thought to as well. So what do you see as the biggest challenges facing the Federal Government when it comes to automation?

Ms. WEICHERT. So I think this is actually a pivotal piece of making progress, because I have heard, anecdotally, as senior advisor, many instances where we have actually, in government, shied away from the right technology solution or efficiency solution or customer experience solution because we did not have an easy way to deal with the people who are currently performing that function.

I actually believe that is a linchpin to moving forward on both the efficiency and the customer experience agenda. So re-skilling——

Senator HASSAN. Right.

Ms. WEICHERT [continuing]. Is critical——

Senator HASSAN. Yes.

Ms. WEICHERT [continuing]. And there are a number of places in government, cyber being one of the ones that Senator Peters mentioned, customer experience is another one, data science is another, where if we have great Federal employees doing a function that was really about what was, status quo in the 1950s——

Senator HASSAN. Yes.

Ms. WEICHERT [continuing]. How do we bring those people into jobs that are relevant in the 21st Century?

Senator HASSAN. Well, and that is music to my ears, because I think there is a win-win here. Often people see this as a binary choice. You either automate or you keep your employees. And, in fact, we know we need skilled employees in so many growing areas, and you kind of brought me to my last area of concern, which is cyber security, and following up on what you and Senator Peters were talking about.

It is one thing to understand it as a priority and to understand, perhaps, that the separate purchasing activities of various agencies means we have decentralized and inconsistent levels of cyber security throughout Federal Government. I would suggest that that may be true in business and in State government as well.

But how do we not only prioritize cyber security, putting in the right platforms to improve it, but how do we go about engaging in cyber security, really in the ongoing way that we know it has to happen? There are daily attacks on systems everywhere. We have ongoing technology that we need to understand, to practice the kind of cyber hygiene that is so important.

So how do we change our culture around cyber security and then make sure we have the skill sets on board that will really allow us to be at the forefront?

Ms. WEICHERT. So thank you for that question. Absolutely a critical element of the IT modernization strategy that I believe we need to pursue, and if confirmed, I would very proactively pursue. I think using some of the new authorities that Congress has included in the Modernizing Government Technology (MGT) bill that hopefully will be signed into law soon, as well as the IT Modernization Fund, hopefully will be appropriated, will allow us to hopefully shine the light on key projects that will help make it easier for agencies to prioritize these activities.

And I think what was in the MGT, allowing working capital funds to be used and reinvested in key technology priorities, is another area. Obviously, I think it is a large area and it is one that deserves deeper, richer study, both leveraging learnings from the private sector but also leveraging what have been those barriers to that in government. And I would look forward to working with this Committee and others in Congress to get that fact base so we can really move from kind of contemplation into action.

Senator HASSAN. Well thank you very much, and thank you, Mr. Chair, for your indulgence. I am a bit over.

Senator LANKFORD. Senator Carper.

#### **OPENING STATEMENT OF SENATOR CARPER**

Senator CARPER. Thank you. Thank you, Mr. Chairman. To our witness, to our nominee, welcome and congratulations. Thank you for spending some time with my staff and me in the past week.

I just want to say to your sons, James and Andrew—what are they, 17 and 14?

Ms. WEICHERT. 17 and 13, yes.

Senator CARPER. 17 and 13. And they go to school where, in Georgia?

Ms. WEICHERT. No. They go to school in Falls Church.

Senator CARPER. Oh, OK. Good. I just want to thank you for your willingness to miss school today.

Ms. WEICHERT. [Laughs.]

Senator CARPER. Being here with your mom, to have her back. That is good. And to be with your grandmother on her birthday. I always called my mom on her birthday, for years and years. And she passed away about a decade ago at the tender age of 83. And I would also call her every year on my birthday, to thank her for bringing me into the world. Those were very special conversations. So I know you are especially proud of your daughter, Ms. Morgan, and Mr. Morgan.

When we talked the other day, I think I mentioned I once had the pleasure of being Governor of Delaware for about 8 years and was very active in the National Governors Association (NGA). One

of the things we did at the National Governors Association, every 2 years, right after the election, within 2 weeks after the election, the current Governors and spouses would host the new Governors, the Governors-elect, and their spouses, at new Governor school, at some place around the country. And it was just three full days of the old guys and gals sort of bearing their souls and explaining to the new folks all the mistakes we had made, and what we had learned from those mistakes, in hope that the new folks would not make the same mistakes.

You have the opportunity—we do not have a new OMB Deputy Director of Management school for newbies, but you do have a good bench to draw from, and Beth Cobert is one of the names I have mentioned to you. I think you may have spoken with her. Another fellow, Brian Deese. They are both back in the private sector. Beth used to run McKinsey & Company's operations out on the West Coast and she is back in the private sector now. She is just brilliant. And Brian Deese is as well.

Another source—and I think I have mentioned this to you, and I think you have already reached out to the Government Accountability Office (GAO)—you will not find a better public servant than Gene Dodaro, and the leadership that he provides there is, I think, incredible.

One of the things that a fellow named Coburn, we used to have a Republican on this Committee. His name was Tom Coburn from Oklahoma. And he was always interested in doing the right thing. He did not like to waste money, and I think certainly the three of us sitting here feel the same way.

And one of the things that Tom and I would do, along with our colleagues, is we realized that we are just one oversight committee, but to the extent that we could partner with GAO, to the extent that we could partner with OMB, to the extent we could partner with inspectors general (IGs) around the Federal Government, we could get a lot more done.

And you mentioned that you have a passion. What would you bring to this job? A spirit of innovation and passion for doing the right thing. We need to do the right thing. We need to find fiscally responsible ways to do the right thing. And in meeting with you, my sense is that is what you would like to do, and we want to be helpful and supportive of that.

You have a position, a CIO position, is that right, that it has not been filled, or you will?

Ms. WEICHERT. Right.

Senator CARPER. Yes. And there is a woman named Phyllis Schneck that my colleagues may or may not remember. She came out of the private sector. She worked in cyber for Homeland Security. I will meet actually meet with her, talk with her later today. And she is back in the private sector. She is brilliant, and I think somebody who would contribute a huge amount, in the short time she was with the Federal Government, and I think could do more so. Those are a couple of names that I would just bring to your attention.

One of the things that we have worked on in this committee forever is improper payments. We focus a lot on the high-risk list. And Tom Coburn and I used to take the high-risk list as our to-

do list. One of the things on the high-risk list forever has been property, real property management, and that is an area where we have made pretty good progress. Rob Portman and others on this Committee, along with me, have focused a whole lot on property management and making sure that we are doing a better job.

You will inherit, I think, a better plan in place, a better system in place to deal with the property management, and I would just ask you to take it to the next level. And I think it is sort of teed up for you to do that.

I do not know if we mentioned when we met, we have jurisdiction, this Committee, on Homeland Security Department. The Department of Homeland Security (DHS), I will just say to James and Andrew, it was created right after September 11, 2001. It has about 240,000 people who are part of the Department of Homeland Security, but they are spread all over the world. They are also spread all over the greater metropolitan Washington area. It is a terribly inefficient way, a very hard way—John Kelly would tell you, as the former Secretary. Jeh Johnson would tell you, as the former Secretary. Tom Ridge would tell you. Janet Napolitano would tell you. It is an impossible management situation, to manage that many people, just spread all over hell's half acre.

And there is a property called St. Elizabeths which is here and actually in Washington, D.C. Old property. And the last administration, actually, suggested that it would be a good place to create a headquarters for Department of Homeland Security. I first heard about it—I saw this as a crazy idea. As it turns out it is not. The General Services Administration (GSA) figured out a way to save a lot of money, putting a lot of people in that large space, that large campus. And we have invested a couple billion dollars, and we basically—it is now like dead in the water, almost dead in the water, which is, I think, just a shame.

And you are going to hear a little bit more a little later on about St. Elizabeths, and DHS, they need a home. They need a way. Whoever was the Secretary there, Kirstjen is just confirmed, they are going to need some attention to this. So I just bring it to your attention.

Talk to us about improper payments, just a little bit if you would. Every year, for every 2 years, for years, we have heard about improper payments. We have done a lot to deal with improper payments. Any thoughts that you would share with us on how to approach that?

Ms. WEICHERT. Sure. Thank you, Senator. I appreciate your thoughts and your thoughtfulness.

Senator CARPER. Sorry to ramble so much.

Ms. WEICHERT. No. I appreciated the thought.

As it happens, payments is something I care a lot about. My observations about what are termed “improper payments” here in government really constitutes three major categories. One is the actual fraud and abuse, the second are errors, so payments that are in the wrong amount or to the wrong address, things of that nature, and then the third are payments that do not have sufficient documentation. And I think the solutions to those three distinct categories are somewhat different.



The Do Not Pay database, I think, has been a really useful tool, from my observation, and I think extending that more broadly in government and also to State and local governments, and that is in the works, that seems like a really great idea to address specific issues around the fraud and abuse piece.

I think the two other pieces have a lot to do with process improvement activities, and, frankly, I have not seen a lot of the root cause issues, and they seem to vary a lot agency to agency. So, if confirmed, I would welcome the opportunity to dig deeper and look for solutions in those areas.

Senator CARPER. All right. Thank you. If I could have maybe 30 more seconds, Mr. Chairman, could I?

Senator LANKFORD. I will have to bring that up with Senator Heitkamp. We will have to decide together.

Senator HEITKAMP. Go for it.

Senator CARPER. We just learned this past week the Department of Defense (DOD), after years of being badgered by us, this Committee, is going to try to achieve a full audit. They have not done that ever, since 1947. And you may want to keep an eye on them, make sure they are doing what they are supposed to be doing.

The other thing is we are looking at a request for defense spending increase over the next 10 years of, I do not know, \$600 billion or more, and we spend more than the next 10 nations combined on defense. Is not that amazing? The United States spends more on defense than the next 10 nations combined, and we have a request for another \$600-plus billion. DOD has never achieved an audit, an unqualified audit, and they have huge cost overruns for major weapons systems, spare parts, all kinds of problems. I would just ask you to keep an eye on them. I am a retired Navy captain, love the Navy, love the military, but in a day and age when we are trying to do things more efficiently, DOD has to be a big part of that as well.

Thank you. Good luck. We look forward to working with you. And again to your family, a special thanks for being with us today, and having her back, raising her the way that you have done that, and for her kids, continuing to raise you. All right. Thank you.

Senator LANKFORD. Senator Heitkamp.

#### **OPENING STATEMENT OF SENATOR HEITKAMP**

Senator HEITKAMP. Thank you, Mr. Chairman, and thank you for coming and thanks to your family for providing you with the support.

I am always amazed that one of the biggest challenges we have in the Federal Government is improving efficiency, convincing the taxpayers that we are, in fact, serious about making sure that every dime that is spent is spent in the right direction, and that we do have their best fiscal interest at heart. But yet, these sometimes are lonely meetings for me and the Chairman, as we work through a lot of these issues. And so we care deeply, especially on our subcommittee, about the role you will play in improving efficiency, responding to GAO, responding to IGs, really pushing, as the former Ranking Member Carper said, really pushing to make sure that the to-do list actually gets accomplished.

I have a concern. Ever since OMB has announced that they are, in fact, looking at reorganization, and every Cabinet position is doing this—we have been doing oversight but yet we have not been able to get anyone from OMB to give us a status report. And, they are the people who are on point on this, and I think if we are going to be successful doing our oversight, we definitely need cooperation from OMB. And I am little concerned that we are not getting it right now.

So, I am going to ask you a series of questions, and just yes or no. You do not have to expound on them, but I think they would be pretty easy.

Do you believe it is important for the talent, mission, and morale of our Federal workforce to accomplish the goals of the Federal Government, to have high morale?

Ms. WEICHERT. Yes.

Senator HEITKAMP. Do you believe it is OK to sacrifice talent, mission, and morale for the sake of reducing workforce through attrition?

Ms. WEICHERT. I am sorry. Could you restate the question?

Senator HEITKAMP. Attrition is typically, we are not going to hire anyone. A lot of times what you see in attrition is that the most valuable employee is the one who walks out the door, and that is a role we desperately need to fill. So if we are going to reduce workforce it should be more strategic. Would you agree with that—

Ms. WEICHERT. I agree. Absolutely.

Senator HEITKAMP [continuing]. That attrition is not necessarily the way to reduce Federal workforce?

Ms. WEICHERT. If you lose your best talent, absolutely not.

Senator HEITKAMP. Will the reorganization process be stronger if OMB gives Federal employees and stakeholders a voice in the process and ensures that they understand the goals of the effort, as well as how it will be executed?

Ms. WEICHERT. So as senior advisor, I have not been involved directly in the reorganization process, so I am not super informed on the specifics of who is involved.

Senator HEITKAMP. Yes. I will tell you this. I have gone through, in my role in State government I managed several agencies. I was never successful without involving the people who actually do the work. And there is a concern that this is going to be top-down without actually getting folks who do the work day to day involved. And so I would strongly recommend that it is important that you do things with employees and not to them. And so just a little bit of advice there.

Will the reorganization process be stronger if OMB works to make sure Congress understands its goals?

Ms. WEICHERT. Yes.

Senator HEITKAMP. Yes. So I think when we go through kind of these lists of questions, it is important that you understand, from my perspective, why I am concerned about this reorganization and why I need to have more information. So, if confirmed, will you commit to getting up to speed on the reorganization and to providing testimony or input back to this Committee or the Subcommittee?

Ms. WEICHERT. So if confirmed I expect I would be getting more involved and getting up to speed to it, and I would look to work collaboratively with this Committee and relevant other committees on an open exchange.

Senator HEITKAMP. I hope we can expedite your confirmation. I find you perfectly well qualified. There is a larger role of oversight that OMB plays with this Committee and when we do not get the information back from OMB I do not think we can perform the responsibility that we have on the other half of the Committee's name, which is government affairs.

So another issue that I have worked on has been the Program Management Improvement and Accountability Act, which is something I penned and co-authored with my colleague, Senator Ernst. It was signed into law. We are now in that process of seeing implementation, and definitely believe that this was an important piece of legislation, needs to be implemented correctly.

And so I just want to ask you a series of questions. The law had many one year deadlines, and some of those have slipped and we have not seen the level of attention. So, if confirmed, how will you take leadership on and execute your responsibilities under the Program Management Improvement and Accountability Act?

Ms. WEICHERT. So thank you, Senator. As senior advisor, I have not been involved in any of the issues around that particular legislation. If confirmed, I would seek to get a baseline on where we are and what, if any, roadblocks there are to effectively complying with the law and also really ensuring that the spirit of what was intended is being achieved.

Senator HEITKAMP. I think the Chairman has talked about his visits to Federal agencies and his oversight that he does day to day, and, we cannot underestimate what a bad manager does to efficiency, what a bad manager does to morale, and that this is intended not to be a blunt instrument but intended to be very strategic. And if we do not have buy-in and enforcement and a commitment at OMB, we will not realize the benefit of this kind of focus.

And so I really would appreciate this becoming a higher priority over at OMB once you get over there, or once you are confirmed into this position.

Ms. WEICHERT. Yes. I look forward to working with you on this, if confirmed.

Senator HEITKAMP. OK. Thank you, Mr. Chairman.

Senator LANKFORD. Thank you, Senator Heitkamp.

Ms. Weichert, as I have mentioned before, this should be a familiar spot for you in conversation with Senator Heitkamp and I, because we have a long stack of questions. And as I visited with Mick Mulvaney in the days before, and have said how can we learn more about the restructuring process—we have already done two hearings on it. And, by the way, in both hearings we had very good input from the agencies saying that it seems OMB is listening, they are getting feedback from the individuals that work in the agency. I think that is exceptionally important. I learn more about an agency walking around through the cubicle farm, visiting with everyone there, than I learn by talking to the managers, most of the time. So getting that input is exceptionally important to be able to make sure any structural changes are made with wisdom in it.

But as I have asked Mick Mulvaney, point blank, and said, "Who will be the point person to help us walk through that?" he has said to me, "The person that still needs to be confirmed. Ms. Weichert is going to be the one that will be the point person for this in the days ahead."

So I know you have been separated out from that, but we are looking forward to you getting up to speed on it and so we can find ways to be able to help in this. Any lasting positive change does not happen with just administrative actions. It happens when it functions through Congress.

So we look forward to not only seeing the reports, your counsel on it, your advice once you see it, but then actually bringing it here and so we can have the opportunity to be able to have input and to start trying to be able to implement this from a congressional level.

Stability in government is both a friend and an enemy. It is an enemy in times when we are stuck. It is a friend in the times that there is predictability for the employees to be able to know their job and what to be able to do. So we want to help in that. That is not necessarily a question, but is certainly a sense that we are looking forward to ongoing conversation on this in the days ahead, as you work through this.

Let me talk a little bit about cooperation across agencies. OMB has a unique responsibility that each agency head takes care of all the leadership there, but OMB has the responsibility of looking at all agencies and saying we have five of basically the same things happening in five different agencies, with slightly different titles. We have to figure out how to do greater efficiency here, or how to figure out how to get two entities that could help each other actually helping each other.

You brought up one of those already, the Do Not Pay list. We have pounded for years on the wonderfully named Death Master File (DMF) that is out there. That was sequestered away in one entity and not shared with others, and so we have people sending checks out to people that another agency knows have been long since dead for 10 years, but no one else has shared the information.

Here is my question. How can you help us break down some of those silos, getting agencies actually talking to each other, and having enough authority in your role leading management to be able to say, "You and you are going to play well together and you have to share information"? How does that happen?

Ms. WEICHERT. So thank you for the question and the comments, Senator. This is actually not a unique challenge to government, and, in fact, the Death Master File issue is an issue for banks, for different reasons. But if someone calls into a bank, like Bank of America, and tells them that someone is deceased, they do not want to be getting bills from another part of that same organization.

So what I have done in the private sector, and I think works well, is rather than leading with a mandate from the top is using facts to help create stories about how the various components will win by pulling together, and also getting facts about what are the structural impediments. I know there are privacy considerations and other previous statutes put in place, for good reasons, to pre-

vent untoward use of data. But to really understand, OK, what is the spirit of that original intent, and then what does it prevent that we might like to do today, and that is, I think, an area where proactively I would see, if confirmed, leading the analysis to get identification of those ideas, and then working with Congress to say what is the right way to punch through some of those ideas so we can make real progress.

Senator LANKFORD. Yes. We have to make real progress on this and it has been a great frustration. For years, I have asked the Census Bureau why they cannot cooperate with the Internal Revenue Service (IRS). The IRS gathers information from just about every American every April. The Census does it once every 10 years. And for some reason the two of them cannot seem to talk to each other, so that every 10 years when we do our taxes, we are also completing our census at the same time. Now that does not seem like a radical concept to me, but for years I have worked with Census, and for years they have said they are studying it.

If there is some legislative barrier there that does not allow the two of them to cooperate, we just need to know so we can get it fixed. But that is billions of dollars in the Census creating a structure that the IRS already has in place, and while we will not capture every single person, I bet we capture more than the original mail-in does from Census. That is one example of a lot of them. We just need someone looking at the whole structure and saying how can we work better together on this.

You and I have spoken, as well, about the hiring authorities. There are 120 different hiring authorities in the Federal Government. I do not think we need 120 different hiring authorities, but we need great employees here. And a lot of those great employees are retiring in the days ahead. Every agency says, "I have 120 hiring authorities but what I really want is direct hiring authority and I do not have that."

Can you help us be able to work through this maze, so we can try to fix some of the hiring authority issues? As I have mentioned to you before, it is fine for the President to say we need to have more people on the border with Customs and Border Patrol (CBP), both Southern and Northern Border. That is fine to say that, except it takes 450 days to hire one agent. That cannot be. So we have to be able to figure out how to be able to process that.

Is that something that you are already working on and are you thinking on?

Ms. WEICHERT. So thank you. Absolutely, I think that is critical, and the third pillar around the workforce for the 21st Century really speaks to what are all the elements that we need to get in place so that we can do all of the parts of people management from vetting, hiring, deploying, adjudicating, and getting to be efficient, up to the 21st Century standards.

Many of the policies that create these slow timelines today were established in the post-World War II era, again, for very good reasons, but they are not necessarily relevant in a digital world that is expecting you could go to Monster.com and hire someone in 2 days if you wanted to, and I could hire a nanny and get her background check online today if I wanted to.

Senator LANKFORD. Or you can go to the Federal Government and get it in 6 months.

Ms. WEICHERT. Exactly. So that is, again, I think, a linchpin of making progress on the broader management agenda.

Senator LANKFORD. OK. There are a couple of bills that are in the process of moving through right now. The Federal Agency Customer Experience (FACE) Act that Senator McCaskill and I have worked on has passed through the Senate already. We sent it over to the House. That deals with just basically getting customer feedback, allowing agencies to do what basically every rental car company and hotel already does. If you stay at a hotel, they send you an email afterwards saying, "How did we do?" The Federal agencies do not typically do that, getting customer service feedback, because of a whole host of complexities, just getting customer service feedback.

We would like to help with that, and, quite frankly, I think that is a good tool for you to be able to have in working with agencies, that they are getting customer feedback and getting some continuous improvement.

The second thing is a bill called the Taxpayers Right-To-Know. It is creating a list that currently does not list, that is, every agency just saying what they do. I would expect one of your first questions, when you walk into this role, is to be able to contact agency heads and say, "Tell me what you do in every program." Most of those agencies are going to say, "We do not know."

Ms. WEICHERT. Yes.

Senator LANKFORD. I think that is a problem, that we cannot supervise what we cannot see, and they cannot lead what they cannot see. So just forming a basic list of every program, how it is evaluated, if it is evaluated, how much money they put toward that program, how many full-time employees they have for that, and how many people they serve. It is a pretty basic metric that everyone in the private sector has already, for all of their entities, on what they commit to it.

It is one of the things that we are trying to be able to work through the process. Senator McCaskill and I, again, are working on that particular piece. We hope to be able to get that done quickly, as a resource tool for you and for every future person at OMB, especially on the management side of it, to be able to help them with that management.

So we just look forward to that cooperation together in the days ahead. Again, that is not designed to be a tool that is a punitive tool by any means. It is designed to just be a resource for everyone to be able to see what is actually happening.

Ms. WEICHERT. Thank you for that input.

Senator LANKFORD. Yes. No big question on that one.

Senator Heitkamp, any other questions?

Senator HEITKAMP. I just want to add something to all of that. I would assume that in these reorganization documents that you will be reviewing a lot of the information that the Chairman has just outlined, is information you should already have. I mean, it is unbelievable to any of us that there is not a master list somewhere, especially within each agency, of what these programs are, how

many people are dedicated to these programs, and what is the expenditure kind of looking at a cost benefit.

And the other piece of this, because I come out of State government, how does this activity potentially duplicate what States and local entities are doing, and how do we streamline that multiple jurisdictional problem that we consistently have?

And so this is a very, very high priority, and it is absolutely essential information for oversight. And that is why I want to hear more about what is happening in reorganization. If you are not getting that information in reorganization, my question would be why not. I mean, why is that not part of the reorganization documents?

This is not, unfortunately, the sexiest issue in Congress. It never rises to a level of urgency. We feel a great deal of urgency on these issues, because we have limited resources. We cannot afford to waste any of those resources, moving forward. There is important strategic work that needs to be done by every agency of government, but there are also, I would imagine, a lot of things that are getting done that are tired and old and need to be relooked. And this is a real opportunity, I think, for you, for someone with your skill set coming in.

And I just want to make this promise to you. You will find a very open committee, a very interested committee, a very committed committee, especially our Subcommittee on these issues that you are going to look at. And it is very bipartisan and very much set with the same goal of efficiency in government and appropriate levels of government. And so use us. Talk to us if you run into problems with other agencies, because you are going to be the bad cop.

Ms. WEICHERT. Right.

Senator HEITKAMP. I can tell you, having gone through a period where we consolidated offices and attorneys into the attorneys general (AGs) office, how difficult that was to set one standard for all the attorneys of State government. I mean, everybody was used to having their own attorneys doing their own thing. And we ignore efficiencies when we allow turf to be the issue and not efficiency.

So you are going to have to be a bad cop, but you may occasionally need some backup. And I think what we are telling you is we are here, and we are here to listen, and when you run into problems it is important to bring it back to our Committee and let our staffs know, especially.

Ms. WEICHERT. I really appreciate that.

Senator HEITKAMP. Good luck, Margaret, and we look forward to working with you into the future, and hope for your speedy confirmation because your role, albeit, not a roomful of interested lookers-on, but we are interested. And so, that is 2 out of 100 who really care about what you do, and that is pretty good.

Ms. WEICHERT. My kind of people.

Senator LANKFORD. Yes, that is good. So what Senator Heitkamp is saying is when you get stuck in some process, release the redheads on them, and we will go see if we cannot help shake the trees.

Ms. WEICHERT. My grandmother was a redhead.

Senator HEITKAMP. We live up to our reputation, you know.

Senator LANKFORD. So we will be glad to be able to help with that.

Senator HEITKAMP. Slow to get there, but once we do, it can be serious.

Ms. WEICHERT. Thank you both. I appreciate it.

Senator LANKFORD. Ms. Weichert, I really appreciate you being here, for taking this task on. It is a long process to go through a nomination. I have yet to talk to a single person in the nomination process, for any task, that says, "This is such a pleasant process." It is miserable as you go through, as you have total strangers going through every aspect of your life, sitting at a long table all alone, and answering questions, then waiting on the mercy of the Senate process to be able to go through the nomination, to actually do the work that you want to do.

So let me just say thank you for going through the process. Let me also remind you that through your vast experience, you were in many different places, making quite an impact for a short period of time. I am sure you have looked back at some of these places and said, "I wish while I was there I would have done this, because I had been there a shorter time than I thought."

Whatever the window is that you are going to be here, whether it is 3 years or 7 years, it is going to be a window. And so I would only encourage you, make the most of the time that you have, because our Nation desperately needs someone handling management of the Management and Budget, and it is one of the most important entities that no one has ever heard of, but it makes a significant difference to us. So please lead in the management area. We will need that good leadership in the days ahead.

And for Andrew and James—do not mind, Andrew, if I am little more biased to the James than the Andrew here, because my first name is James as well—but for both of you, thank you for being here, and I hope this is a good civics lesson for you as well. And happy birthday. Glad that you are here, for both of you to be able to be here to be a part of it, and I hope it is not too painful. I can only imagine watching my child sitting on the stand and going through all the fun of it. That would not be as much fun as you would think it would be. So thank you for being here and being a part of it.

Let me just make a quick closing statement as well. The nominee has made financial disclosures, provided responses to biographical and pre-hearing questions submitted by the Committee. Without objection, this information will be made a part of the hearing record,<sup>1</sup> with the exception of the financial data, which is on file and available for public inspection in the Committee offices.

The hearing record will remain open until 12 p.m. tomorrow, December 15, 2017, for the submission of statements and questions for the record.

Thank you again for being here and being a part of this process. With that, this hearing is adjourned.

[Whereupon, at 10:59 a.m., the Committee was adjourned.]

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<sup>1</sup> The information of Ms. Weichert appears in the Appendix on page 29.



## A P P E N D I X

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**U.S. Senate Homeland Security and Governmental Affairs Committee**  
**Nomination Hearing for Margaret M. Weichert to be Deputy Director for**  
**Management, Office of Management and Budget**

**December 14, 2017**

**Senator Gary C. Peters, Acting as Ranking Member**

*Opening Statement*

Thank you, Mr. Chairman, and thank you, Ms. Weichert, for being here today and for your willingness to serve in this important role at OMB. In reviewing your qualifications, I noticed your particular expertise and interest in payments technology and modernization. That is something I have been working on here in the Senate, and I hope it can be something we can work on together in the future if you are confirmed.

As we consider your nomination, I want to acknowledge the widespread agreement in this room today that we should always be finding ways to work together to make government more efficient and effective for the American people. This Committee has a record of bipartisan accomplishment in holding government officials accountable, protecting whistleblowers, empowering the Inspector General community, cutting unnecessary red tape, and conducting diligent oversight to root out instances of waste, fraud, and abuse.

That is what I am looking out for as the Ranking Member of the Federal Spending Oversight subcommittee, and I know the Deputy Director for Management position at OMB plays an important role in this effort as well.

We need to make sure we empower federal agencies with the resources, talent, and expertise they need to carry out their critical missions, instead of undermining them or making blunt policy choices, while also looking out for opportunities to reduce inefficiencies, streamline government operations, and avoid duplications of effort.

Ms. Weichert, I hope you share these goals. I look forward to hearing more about your management agenda and your specific plans for improving the federal

government's procurement policies, information technology systems, and financial and personnel management practices.

We should approach these issues remembering that we have been entrusted as stewards of taxpayer dollars and that we should work together so that government works for everyone. Thank you, and I look forward to your testimony.

**United States Senate Homeland Security and Governmental Affairs Committee**  
**Hearing on the Nomination of Margaret M. Weichert to be Deputy Director for Management, Office of**  
**Management and Budget**

December 14, 2017

Statement of Margaret M. Weichert

Thank you Mr. Chairman. I would like to thank you, the Ranking Member and all the Members of this committee for your gracious welcome. It is an honor to appear before this Committee as the Nominee for Deputy Director of Management, Office of Management and Budget.

I would also like to thank my family for joining me today. My two boys, James and Andrew, are here getting a real-life civics lesson. And my parents, Ed and Mary Alice Morgan, have come from wintry upstate New York to support me. Today is my mother's birthday so it's even more special. I appreciate their support and encouragement, in spite of long-hours and much time away from home. My motivation to leave our home in Georgia and the private sector for a role in Washington is rooted in a long family tradition of public service. I am following in the footsteps of family members who have served the country through military service, elected office, in state government and work for the Post Office.

I would also like to thank the Members of this Committee and their staffs for meeting with me and sharing perspectives on key management issues facing our country. If confirmed, I look forward to working with you to identify and implement innovative management solutions. Finally I would like to thank the President and the OMB Director for inviting me to serve. I feel humbled and honored as I embark on my first experience in public service.

The Deputy Director for Management is an important role charged with leading a broad range of disciplines that provide the management foundation for the core missions of government. In and of themselves, functions like IT, Information Security, Human Capital Management, Finance, Accounting, Performance Management and Procurement may not be inherently exciting, but these functions provide necessary and essential capabilities needed to support the work of government agencies. The Management function at OMB is challenged to use a fact-based approach to balance financial stewardship and efficiency with effectiveness and transparency. Government agency missions vary

widely, but all rely on management capabilities. Whether rescuing families and their dogs, cats and livestock from fires in California or floodwaters in Texas, helping small businesses compete for government contracts, allowing farmers to efficiently get loans or crop insurance, or supporting the healthcare needs of veterans, the “business of government” in every case relies on mission critical management services.

20+ years of experience in the private sector should position me well to drive transformational change and better align federal government management capabilities to the realities of the 21<sup>st</sup> century. Building on an academic background in Economics, Management and Finance, I have spent the last 20+ years driving customer and shareholder value in publically traded companies and as an entrepreneur. I have direct experience with P&L management, budgeting, capital allocation, new product development, innovation, risk and compliance, financial reporting and analytics and business development. I have done these activities as an employee of 2 large publically-traded companies (Bank of America and First Data), and as a consultant to large publically traded companies in the financial services, financial technology and retail industries.

In these private sector roles I have been privileged to use a wide range of leading practices, including Six Sigma, Design for Six Sigma, Agile development, business process automation and user-centered design to create and implement complex, transformational change agendas with strong positive financial and customer experience impacts. In all my private sector roles I have sought to bring a spirit of innovation and a passion for doing the right thing to drive breakthrough thinking and results. I have led large teams of diverse talent to achieve results that even they did not believe were possible. And I’ve been as excited about innovating in support areas like payments, accounts payable and commercial cash management as I have been about innovations in mobile banking or online payments. Many of these innovations, even in non-customer facing areas, were innovative enough to result in 14 successful US patents.

My hope, if confirmed, is to bring this spirit of innovation, combined with private sector practices, to drive greater efficiency, effectiveness and transparency in federal management functions. Moreover, I’d like to build on existing management successes to create and implement a transformational vision for 21<sup>st</sup> century management. Through the President’s Management Agenda, and the President’s Management Council, if confirmed, I would focus on three transformation areas:

1. IT Modernization

2. Data, Accountability and Transparency
3. People & the Workforce for the 21<sup>st</sup> century

In conclusion, I'd like to thank you for your input and consideration. If confirmed as Deputy Director for Management, I look forward to working with you to improve the efficiency, effectiveness and transparency of the federal government through improvements in management competencies. Thank you again. I look forward to answering your questions.

## 1. Basic Biographical Information

<i>Position to Which You Have Been Nominated</i>	
<u>Name of Position</u>	<u>Date of Nomination</u>
Deputy Director – Management Office of Management and Budget	

Current Legal Name			
First Name	Middle Name	Last Name	Suffix
Margaret	Morgan	Weichert	

Addresses					
Residential Address (do not include street address)			Office Address (include street address)		
			Street: 1650 Pennsylvania Ave NW		
City: Atlanta	State: GA	Zip:30342	City: Washington	DC	Zip: 20502

Other Names Used						
First Name	Middle Name	Last Name	Suffix	Check if Multiple Names	Name Used From (Month/Year) (Check box if estimate)	Name Used To (Month/Year) (Check box if estimate)
Margaret	Sarah	Morgan			9/29/1967 Est <input type="checkbox"/>	4/1996 Est X
Peggy or Peg		Morgan			Est 9/29 /1967 <input type="checkbox"/>	Est

<i>Birth Year and Place</i>	
Year of Birth (Do not include month and day.)	Place of Birth
1967	Albany, NY

<i>Marital Status</i>						
Check All That Describe Your Current Situation:						
Never Married	Married	Separated	Annulled	Divorced	Widowed	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

<i>Spouse's Name (current spouse only)</i>			
Spouse's First Name	Spouse's Middle Name	Spouse's Last Name	Spouse's Suffix

<i>Spouse's Other Names Used (current spouse only)</i>						
First Name	Middle Name	Last Name	Suffix	Check if Maiden Name	Name Used From (Month/Year) (Check box if estimate)	Name Used To (Month/Year) (Check box if estimate)
					Est <input type="checkbox"/>	Est <input type="checkbox"/>
					Est <input type="checkbox"/>	Est <input type="checkbox"/>

<i>Children's Names (If over 18)</i>			
First Name	Middle Name	Last Name	Suffix

## 2. Education

List all post-secondary schools attended.

<u>Name of School</u>	<u>Type of School</u> (vocational/technical/trade school, college/university/military college, correspondence/distance/extension/online school)	<u>Date Began School</u> (month/year) (check box if estimate)	<u>Date Ended School</u> (month/year) (check box if estimate) (check "present" box if still in school)	<u>Degree</u>	<u>Date Awarded</u>
Georgetown University	University	Est <input type="checkbox"/> 8/1985	Est <input type="checkbox"/> Present <input type="checkbox"/> 5/1989	BSFS	5/1989
University of Sussex	University	Est <input type="checkbox"/> 10/1989	Est <input type="checkbox"/> Present <input type="checkbox"/> 7/1990	Postgraduate Diploma in Economics	10/1990
University of California – Berkeley	University	Est <input type="checkbox"/> 8/1993	Est <input type="checkbox"/> Present <input type="checkbox"/> 5/1995	MBA	05/1995
		Est <input type="checkbox"/>	Est <input type="checkbox"/> Present <input type="checkbox"/>		



### 3. Employment

(A) List all of your employment activities, including unemployment and self-employment. If the employment activity was military duty, list separate employment activity periods to show each change of military duty station. Do not list employment before your 18th birthday unless to provide a minimum of two years of employment history.

<b>Type of Employment</b> (Active Military Duty Station, National Guard/Reserve, USPHS Commissioned Corps, Other Federal employment, State Government (Non-Federal Employment), Self-employment, Unemployment, Federal Contractor, Non-Government Employment (excluding self-employment), Other)	<b>Name of Your Employer/Assigned Duty Station</b>	<b>Most Recent Position Title/Rank</b>	<b>Location</b> (City and State only)	<b>Date Employment Began</b> (month/year) (check box if estimate)	<b>Date Employment Ended</b> (month/year) (check box if estimate) (check "present" box if still employed)
State Government	State of New York – Payroll Services	Summer Intern	Albany NY	7/1985 <input type="checkbox"/> Est	8/1985 <input type="checkbox"/> Est
State Government	State of New York	Summer Intern	Albany NY	7/1986 <input type="checkbox"/> Est	8/1986 <input type="checkbox"/> Est
Restaurant (Non-government entity)	Sbarro	Waitress	Albany NY	7/1986 <input type="checkbox"/> Est	8/1986 <input type="checkbox"/> Est
University (Non-government entity)	Office of Campus Ministry, Georgetown University	Work study	Washington DC	9/1985 <input type="checkbox"/> Est	12/1986 <input type="checkbox"/> Est
University (Non-government entity)	School of Foreign Service, Dean's Office, Georgetown University	Work study	Washington DC	1/1987 <input type="checkbox"/> Est	5/1989 <input type="checkbox"/> Est
Temp Agency (non government entity)	Manpower	Temporary office worker	Albany NY	8/1989	9/1989
Federal Contractor	International Resources Group	Senior Associate	Washington DC	8/1990	5/1992
Non-government organization	Leaf for Life (Hojas Verdes)	Intern	Managua & Rivas, Nicaragua	9/1992	5/1993
University (non-government entity)	University of California, Berkeley, Haas School of Business	Graduate Student Instructor	Berkeley CA	8/1994	4/1995
Non-government entity	Andersen Consulting	Senior Manager	San Francisco CA	7/1995	9/1999

Non-government entity	Achex, Inc.	Co-Founder & VP Marketing	San Francisco, CA	10/1999	7/2001
Non-government entity	First Data Cop	Senior Vice President, Product Marketing	San Francisco, CA & Atlanta GA	7/2001 6/2009	11/2004 7/2010
Financial Institution (non-government entity)	Bank of America	SVP, Business Planning and Analytics Executive	Charlotte NC	11/2004	2/2009
Consulting Firm (Non-government entity)	The Morgan Weichert Group LLC	Founder and CEO	Charlotte NC & Atlanta GA	2/2009	9/2013
Consulting Firm (non-government entity)	Market Platform Dynamics	Managing Director	Atlanta GA & Chicago, IL	9/2010	9/2013
Consulting Firm (non-government entity)	Global Economics Group	Principal	Atlanta GA & Chicago, IL	9/2010	9/2013
Consulting Firm (non-government entity)	Ernst & Young LLP	Principal	Atlanta	9/2013	9/1/2017
Government Entity	Office of Management and Budget	Senior Advisor	Washington DC	9/2017	present

(B) List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, not listed elsewhere.

<u>Name of Government Entity</u>	<u>Name of Position</u>	<u>Date Service Began</u> (month/year) (check box if estimate)	<u>Date Service Ended</u> (month/year) (check box if estimate) (check "present" box if still serving)
		Est <input type="checkbox"/>	Est <input type="checkbox"/> Present <input type="checkbox"/>
		Est <input type="checkbox"/>	Est <input type="checkbox"/> Present <input type="checkbox"/>
		Est <input type="checkbox"/>	Est <input type="checkbox"/> Present <input type="checkbox"/>

#### 4. Potential Conflict of Interest

**(A) Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

As long as all Federal Guidelines and regulations for procurement of consulting services or financial services (e.g. banking services or credit card acceptance services) are observed, I do not anticipate any conflicts of interest with former employers.

**(B) Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation or affecting the administration or execution of law or public policy, other than while in a federal government capacity.**

In 2011, while a principal in Global Economics Group and a Managing Director at Market Platform Dynamics, I contributed to several papers commenting on the economic impacts of the "Durbin Amendment" to the Consumer Financial Protection Act (CFPA) and other regulation proposed for the payment card industry. One of these papers, in which I was a co-author, was submitted to the Federal Reserve as part of their formal request for commentary. The citation for that paper is

David S. Evans, Howard Chang, and Margaret M. Weichert, "Economic Analysis of Claims in Support of the 'Durbin Amendment' to Regulate Debit Card Interchange Fees," Submission to the Federal Reserve Request for Comment, May 16, 2011 (submitted May 12, 2011). [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1843628](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1843628)

In addition, I participated in several public forums advocating on behalf of the points of view articulated in that position paper.

#### 5. Honors and Awards

**List all scholarships, fellowships, honorary degrees, civilian service citations, military medals, academic or professional honors, honorary society memberships and any other special recognition for outstanding service or achievement.**

- Georgetown University Phi Beta Kappa (academic honor society), 1989
- BSFS, Magna Cum Laude, Georgetown University May 1989
- Dean's Citation, School of Foreign Service, May 1989

- School of Foreign Service Scholar Award, Georgetown University May 1989
- Rotary Scholar, 1989-1990 (sponsored by Rotary Club of Albany NY)
- University of California, Berkeley, Beta Gamma Sigma (business honor society) May 1995

## 6. Memberships

List all memberships that you have held in professional, social, business, fraternal, scholarly, civic, or charitable organizations in the last 10 years.

Unless relevant to your nomination, you do NOT need to include memberships in charitable organizations available to the public as a result of a tax deductible donation of \$1,000 or less, Parent-Teacher Associations or other organizations connected to schools attended by your children, athletic clubs or teams, automobile support organizations (such as AAA), discounts clubs (such as Groupon or Sam's Club), or affinity memberships/consumer clubs (such as frequent flyer memberships).

<u>Name of Organization</u>	<u>Dates of Your Membership</u> (You may approximate.)	<u>Position(s) Held</u>
NACHA Internet Payments Council	2000-2005	Elected Steering Committee Member
The Clearinghouse – Strategic Payments Council	2006-2007	Member – on behalf of Bank of America
Carmel Country Club, Charlotte NC	2007-2009	Finance Committee Member

## 7. Political Activity

(A) Have you ever been a candidate for or been elected or appointed to a political office?

<u>Name of Office</u>	<u>Elected/Appointed/ Candidate Only</u>	<u>Year(s) Election Held or Appointment Made</u>	<u>Term of Service (If applicable)</u>

N/A			

(B) List any offices held in or services rendered to a political party or election committee during the last ten years that you have not listed elsewhere.

<u>Name of Party/Election Committee</u>	<u>Office/Services Rendered</u>	<u>Responsibilities</u>	<u>Dates of Service</u>
N/A			

(C) Itemize all individual political contributions of \$200 or more that you have made in the past five years to any individual, campaign organization, political party, political action committee, or similar entity. Please list each individual contribution and not the total amount contributed to the person or entity during the year.

<u>Name of Recipient</u>	<u>Amount</u>	<u>Year of Contribution</u>
Ernst & Young Political Action Committee	\$500	2017
Ernst & Young Political Action Committee	\$300	2016
Kasich for America, Inc. – John R. Kasich	\$300	2016
Hillary for America – Hillary Rodham Clinton & Timothy Michael Kaine	\$695	2016
Ernst & Young Political Action Committee	\$300	2015
Ernst & Young Political Action Committee	\$300	2014
Mulvaney for Congress – John Michael Mulvaney	\$500	2010

### 8. Publications and Speeches

(A) List the titles, publishers and dates of books, articles, reports or other published materials that you have written, including articles published on the Internet. Please provide the Committee with copies of all listed publications. In lieu of hard copies, electronic copies can be provided via e-mail or other digital format.

<u>Title</u>	<u>Publisher</u>	<u>Date(s) of Publication</u>
"Editorial" and "Considerations for a real-time payments strategy," in <u>#Payments – EY Quarterly Publication</u>	EY Publications	August 2017
"The Future of Payments: How FinTech players are accelerating customer-driven innovation in financial services," <u>Journal of Payments Strategy and Systems</u> Author: Margaret Morgan Weichert	Henry Stewart Publications	2017
"Chapter 34: Nonprofit Innovation: Rethinking Value Creation for the Social Sector," <u>Global Innovation Science Handbook</u> Editors: Praveen Gupta and Brett Trusko	McGraw Hill 2013/2014	November 2013 Textbook published 2014
"Mobile Financial Services and the Emerging Global Middle Class," <u>The Lydian Journal</u>	PYMNTS.com	2012
"Interchange fees: the economics and regulation of what merchants pay for cards," Authors: RE Litan, DD Garcia Schwartz, HH Chang, MM Weichert	Global Economics Group	2011
"Economic Analysis of Claims in Support of the 'Durbin Amendment,' to Regulate Debit Card Interchange Fees," Authors: DS Evans, HH Chang, MM Weichert	Global Economics Group	2011
"Payments Innovation: A comparison of banks and non-banks and how they can learn from each <u>Journal of Payment Strategy and Systems</u> Author: Margaret Morgan Weichert	Henry Stewart Publications	2008
<u>Nuclear Power: The Promise of New Technologies</u> Authors: Charles Ebinger, John Banks & Margaret Morgan	Center for Strategic and International Studies	1991


(B) List any formal speeches you have delivered during the last five years and provide the Committee with copies of those speeches relevant to the position for which you have been nominated. Include any testimony to Congress or any other legislative or administrative body. These items can be provided electronically via e-mail or other digital format.

(C) List all speeches and testimony you have delivered in the past ten years, except for those the text of which you are providing to the Committee.

Title	Place/Audience	Date(s) of Speech
Misc. other speeches and presentations with no transcripts available		
Innovation in Cross Border Payments	FT Live – Financial Times and SWIFT hosts – New York, NY	December 2016
Next Generation Payments: Alternative Models or Converging Paths (Panel Discussion)	Chicago Payments Symposium Chicago Fed – Chicago, IL	2016
“How Legacy Payment Systems View Distributed Ledger Technology.”	Chicago Fed Panel Discussion, Chicago, IL	2016
Women in Payments – Chairperson	Card Forum (various locations)	2014, 2015, 2016, 2017 (May 8, 2017)
Payments	Jefferies Investor Conference – Payments – New York, NY	2014, 2016
“The Rare Air” – Panel on Payments	W.net; Atlanta GA	2016
Small Business Payments Merchant Acquiring CEO Roundtable Customer-Driven Payments Start-Up 180	Money 2020, Las Vegas, NV	2013, 2014, 2015, 2016
Commercial Payments Innovations in Payments	Sibos 2014 – Toronto, CN Sibos 2015 – Singapore	2014, 2015

Innovation in the non-profit sector	Inno con	2014
Multiple presentations on topics related to payment systems and payments behavior	NACHA Payments -- various locations	2000-2014
Multiple presentations on payments	Technology Association of Georgia -- Atlanta, GA	2010-2105
Misc Private Presentations for Clients		
Education sessions and Client Conference Participation, as representative of EY	American Express, Bank of New York Mellon, FIS, MasterCard, Synclrony, TSYS	

### 9. Criminal History

Since (and including) your 18<sup>th</sup> birthday, has any of the following happened?

- Have you been issued a summons, citation, or ticket to appear in court in a criminal proceeding against you? (Exclude citations involving traffic infractions where the fine was less than \$300 and did not include alcohol or drugs.)

No

- Have you been arrested by any police officer, sheriff, marshal or any other type of law enforcement official?

No

- Have you been charged, convicted, or sentenced of a crime in any court?

No

- Have you been or are you currently on probation or parole?

No

- Are you currently on trial or awaiting a trial on criminal charges?

No

- To your knowledge, have you ever been the subject or target of a federal, state or local criminal investigation?

No

If the answer to any of the questions above is yes, please answer the questions below for each criminal event (citation, arrest, investigation, etc.). If the event was an investigation, where the question below asks for information about the offense, please offer information about the offense under investigation (if known).

A) Date of offense:

- Is this an estimate (Yes/No):



- B) Description of the specific nature of the offense:
- C) Did the offense involve any of the following?
- 1) Domestic violence or a crime of violence (such as battery or assault) against your child, dependent, cohabitant, spouse, former spouse, or someone with whom you share a child in common: **Yes / No**
  - 2) Firearms or explosives: **Yes / No**
  - 3) Alcohol or drugs: **Yes / No**
- D) Location where the offense occurred (city, county, state, zip code, country):
- E) Were you arrested, summoned, cited or did you receive a ticket to appear as a result of this offense by any police officer, sheriff, marshal or any other type of law enforcement official: **Yes / No**
- 1) Name of the law enforcement agency that arrested/cited/summoned you:
  - 2) Location of the law enforcement agency (city, county, state, zip code, country):
- F) As a result of this offense were you charged, convicted, currently awaiting trial, and/or ordered to appear in court in a criminal proceeding against you: **Yes / No**
- 1) If yes, provide the name of the court and the location of the court (city, county, state, zip code, country):
  - 2) If yes, provide all the charges brought against you for this offense, and the outcome of each charged offense (such as found guilty, found not-guilty, charge dropped or "nolle pros," etc). If you were found guilty of or pleaded guilty to a lesser offense, list separately both the original charge and the lesser offense:
  - 3) If no, provide explanation:
- G) Were you sentenced as a result of this offense: **Yes / No**
- H) Provide a description of the sentence:
- I) Were you sentenced to imprisonment for a term exceeding one year: **Yes / No**
- J) Were you incarcerated as a result of that sentence for not less than one year: **Yes / No**
- K) If the conviction resulted in imprisonment, provide the dates that you actually were incarcerated:
- L) If conviction resulted in probation or parole, provide the dates of probation or parole:
- M) Are you currently on trial, awaiting a trial, or awaiting sentencing on criminal charges for this offense: **Yes / No**

N) Provide explanation:

### 10. Civil Litigation and Administrative or Legislative Proceedings

(A) Since (and including) your 18th birthday, have you been a party to any public record civil court action or administrative or legislative proceeding of any kind that resulted in (1) a finding of wrongdoing against you, or (2) a settlement agreement for you, or some other person or entity, to make a payment to settle allegations against you, or for you to take, or refrain from taking, some action. Do NOT include small claims proceedings.

<u>Date Claim/Suit Was Filed or Legislative Proceedings Began</u>	<u>Court Name</u>	<u>Name(s) of Principal Parties Involved in Action/Proceeding</u>	<u>Nature of Action/Proceeding</u>	<u>Results of Action/Proceeding</u>
N/A				

(B) In addition to those listed above, have you or any business of which you were an officer, director or owner ever been involved as a party of interest in any administrative agency proceeding or civil litigation? Please identify and provide details for any proceedings or civil litigation that involve actions taken or omitted by you, or alleged to have been taken or omitted by you, while serving in your official capacity.

<u>Date Claim/Suit Was Filed</u>	<u>Court Name</u>	<u>Name(s) of Principal Parties Involved in Action/Proceeding</u>	<u>Nature of Action/Proceeding</u>	<u>Results of Action/Proceeding</u>
N/A				


(C) For responses to the previous question, please identify and provide details for any proceedings or civil litigation that involve actions taken or omitted by you, or alleged to have been taken or omitted by you, while serving in your official capacity.

### 11. Breach of Professional Ethics

(A) Have you ever been disciplined or cited for a breach of ethics or unprofessional conduct by, or been the subject of a complaint to, any court, administrative agency, professional association, disciplinary committee, or other professional group? Exclude cases and proceedings already listed.

No

<u>Name of Agency/Association/Committee/Group</u>	<u>Date Citation/Disciplinary Action/Complaint Issued/Initiated</u>	<u>Describe Citation/Disciplinary Action/Complaint</u>	<u>Results of Disciplinary Action/Complaint</u>
N/A			

(B) Have you ever been fired from a job, quit a job after being told you would be fired, left a job by mutual agreement following charges or allegations of misconduct, left a job by mutual agreement following notice of unsatisfactory performance, or received a written warning, been officially reprimanded, suspended, or disciplined for misconduct in the workplace, such as violation of a security policy? No

### 12. Tax Compliance

(This information will not be published in the record of the hearing on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

**REDACTED**

**13. Lobbying**

**In the past ten years, have you registered as a lobbyist? If so, please indicate the state, federal, or local bodies with which you have registered (e.g., House, Senate, California Secretary of State).**

No

**14. Outside Positions**

☐ See OGE Form 278. (If, for your nomination, you have completed an OGE Form 278 Executive Branch Personnel Public Financial Disclosure Report, you may check the box here to complete this section and then proceed to the next section.)

For the preceding ten calendar years and the current calendar year, report any positions held, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

<u>Name of Organization</u>	<u>Address of Organization</u>	<u>Type of Organization</u> (corporation, firm, partnership, other business enterprise, other non-profit organization, educational institution)	<u>Position Held</u>	<u>Position Held From</u> (month/year)	<u>Position Held To</u> (month/year)
Ernst & Young LLP	55 Ivan Allen Jr. Blvd Atlanta, GA 30308	Partnership	Principal	9/20/13	present
Market Platform Dynamics	140 Dearborn Street #1000, Chicago IL 60603	Partnership	Managing Director (Partner)	10/2010	9/13
Global Economics Group	140 Dearborn Street #1000, Chicago IL 60603	Partnership	Principal	10/2010	9/13
The Morgan Weichert Group, LLC	14 Rose Gate Drive NE; Atlanta GA 30342	Sole Prop. LLC	CEO	2/2009	present
First Data Corp	5565 Glenridge Connector; Atlanta GA 30342	Corporation	SVP, Global Product Marketing	6/2009	7/2010
Bank of America	100 N. Tryon Street, Charlotte NC 28255	Corporation	SVP, Business Planning and Analytics Exec	11/2004	2/2009

Journal of Digital Banking, Henry Stewart Publications	28-30 Little Russell Street London WC1A 2HN, United Kingdom	Publication	Member of the Editorial Board (unpaid)	2016	present
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### 15. Agreements or Arrangements

☐ See OGE Form 278. (If, for your nomination, you have completed an OGE Form 278 Executive Branch Personnel Public Financial Disclosure Report, you may check the box here to complete this section and then proceed to the next section.)

As of the date of filing your OGE Form 278, report your agreements or arrangements for: (1) continuing participation in an employee benefit plan (e.g. pension, 401k, deferred compensation); (2) continuation of payment by a former employer (including severance payments); (3) leaves of absence; and (4) future employment.

Provide information regarding any agreements or arrangements you have concerning (1) future employment; (2) a leave of absence during your period of Government service; (3) continuation of payments by a former employer other than the United States Government; and (4) continuing participation in an employee welfare or benefit plan maintained by a former employer other than United States Government retirement benefits.

<u>Status and Terms of Any Agreement or Arrangement</u>	<u>Parties</u>	<u>Date</u> (month/year)
Bank of America Pension (held at Fidelity)	Bank of America, Fidelity, M. Weichert	2009
EY Pension	EY, M. Weichert	Hire date 9/2013

### 16. Additional Financial Data

All information requested under this heading must be provided for yourself, your spouse, and your dependents. (This information will not be published in the record of the hearing

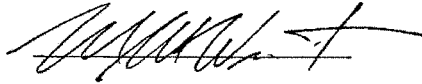
on your nomination, but it will be retained in the Committee's files and will be available for public inspection.)

**REDACTED**

REDACTED

SIGNATURE AND DATE

I hereby state that I have read the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

A handwritten signature in black ink, appearing to be "M. K. ...", written over a horizontal line.

This 5<sup>th</sup> day of Dec, 20 17



**REDACTED**

UNITED STATES OFFICE OF  
GOVERNMENT ETHICS

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September 12, 2017

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Margaret M. Weichert, who has been nominated by President Trump for the position of Deputy Director for Management, Office of Management and Budget.

We have reviewed the report and have obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

DAVID APOL

Digitally signed by DAVID APOL  
DN: cn=US, o=U.S. Government, ou=Office of  
Government Ethics, serial=DAVID APOL,  
c=US, email=DAVID.APOL@OGE.EOP  
D-2017-09-12 16:35:54 -0400

David J. Apol

Acting Director and General Counsel

Enclosures

**REDACTED**

September 6, 2017

Yasaman Sutton  
Alternate Designated Agency Ethics Official  
Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, D.C. 20503

Dear Ms. Sutton:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Deputy Director for Management, Office of Management and Budget.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter in which I know that I have a financial interest directly and predictably affected by the matter, or in which I know that a person whose interests are imputed to me has a financial interest directly and predictably affected by the matter, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign from my position with Ernst & Young, LLP. I currently have a capital account with Ernst & Young, LLP, and I will receive a refund of my net equity in a lump-sum payment after my resignation. I will also cash out my interests in the EY HR-10 Qualified Tax Deferred Plan, as a lump-sum payment calculated as of the date of my withdrawal. Until I have received these payments, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the ability or willingness of the firm to pay this refund, unless I first obtain a written waiver, pursuant to 18 U.S.C. 208(b)(1). For a period of one year after my resignation, I also will not participate personally and substantially in any particular matter involving specific parties in which I know the firm is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). In addition, I will not participate personally and substantially in any particular matter involving specific parties in which I know a former client of mine is a party or represents a party for a period of one year after I last provided service to that client, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

I will retain my two conservator positions. I will not receive any fees for the services that I provide as conservator during my appointment to the position of Deputy Director for Management.

If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), or obligations of the United States.

I will meet in person with you during the first week of my service in the position of Deputy Director for Management in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will also document my compliance with this ethics agreement by notifying you in writing when I have completed the steps described in this ethics agreement.

I understand that as an appointee I will be required to sign the Ethics Pledge (Exec. Order no. 13770) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I have been advised that this ethics agreement will be posted publicly, consistent with 5 U.S.C. § 552, on the website of the U.S. Office of Government Ethics with ethics agreements of other Presidential nominees who file public financial disclosure reports.

Sincerely,



Margaret M. Weichert

**U.S. Senate Committee on Homeland Security and Governmental Affairs  
Pre-hearing Questionnaire  
For the Nomination of Margaret Weichert to be  
Deputy Director for Management – Office of Management and Budget**

**I. Nomination Process and Conflicts of Interest**

1. Did the President give you specific reasons why he nominated you to be the next Deputy Director for Management (DDM) at the Office of Management and Budget (OMB)?

No

2. Were any conditions, expressed or implied, attached to your nomination? If so, please explain.

No

3. Have you made any commitments with respect to the policies and principles you will attempt to implement as DDM? If so, what are they, and to whom were the commitments made?

No

4. Are you aware of any business relationship, dealing, or financial transaction that could result in a possible conflict of interest for you or the appearance of a conflict of interest? If so, please explain what procedures you will use to recuse yourself or otherwise address the conflict. And if you will recuse yourself, explain how you will ensure your responsibilities are not affected by your recusal.

If confirmed, if any duties related to the position of Deputy Director of Management (DDM) were to relate to recent clients and/or employers, I would recuse myself from those matters, and identify a member of the Management Leadership Team with relevant expertise to represent OMB.

**II. Background of the Nominee**

5. Please describe:

- a. Your leadership and management style.

My leadership and management style is based on inclusive, fact-based decision making. I believe it is the responsibility of an organization's leader to clearly articulate the vision and strategy for the organization, aligned with the overall organizational mission and any key stakeholder objectives.

- b. Your experience managing personnel.

I have over 20 years' experience managing employees in a range of enterprises, including consulting firms, startups, and Fortune 500 companies.

c. What is the largest number of people that have worked under you?

Approximately 125

6. 31 U.S.C. § 503 tasks the DDM with 14 specific tasks related the financial management of Federal agencies. Please describe your ability and experience in financial management of large organizations.

My overall capabilities related to Financial Management are rooted in my academic background in Economics, Management and Finance. In my professional experience in the last 20+ years, I have held positions with responsibilities including P&L management, budgeting, capital allocation, risk and compliance, financial reporting and analytics and other financial management related activities. I have done these activities as an employee of 2 large publically-traded companies (Bank of America and First Data), and as a consultant to large publically traded companies in the financial services, financial technology and retail industries.

7. OMB has five key offices listed below. These offices are critical to OMB's role managing executive branch agencies. If confirmed, you will be responsible for oversight of these offices. Please describe your ability and experience in the subject matter of each:

a. The Office of Information and Regulatory Affairs,

I have spent my professional career in financial services working on projects with significant regulatory and information management implications, largely in financial services. This work involved payments regulatory issues including electronic funds transfers, check imaging, credit card processing, money transmission and other payment regulation.

b. The Office of the U.S. Intellectual Property Enforcement Coordinator,

I am familiar at a high level with U.S. patent, trademark and copyright protection practices based on experiences in the private sector. I am an inventor on 14 U.S. patents (that are owned by the corporations where I worked) and led marketing teams that filed corporate patent, trademark and copyright applications.

c. The Office of E-Government & Information Technology,

I have spent the last twenty years of my career focused on technology-driven transformational change in the financial services industry, including time as a payments technology entrepreneur, a business executive focused on payments technology at First Data and Bank of America, and as a management consultant

focused on process and technology transformation projects in the financial services space.

d. The Office of Federal Financial Management,

My overall capabilities related to Financial Management are rooted in my academic background in Economics, Management and Finance. In my professional experience in the last 20+ years, I have held positions with responsibilities including P&L management, budgeting, capital allocation, risk and compliance, financial reporting and analytics and other financial management related activities. I have done these activities as an employee of 2 large publically-traded companies (Bank of America and First Data), and as a consultant to large publically traded companies in the financial services, financial technology and retail industries.

e. The Office of Federal Procurement Policy, and

In executive roles at Bank of America and First Data I have worked with supply chain and procurement professionals on the procurement needs associated with those roles, including management of major vendor relationships with a range of payment technology providers, including credit card brands, debit card networks, ATM manufacturers, cash-in-transit companies, consulting firms and software vendors. As a management consultant I have been exposed to leading practices in vendor management and procurement as a professional services vendor to Fortune 500 companies.

f. The Office of Performance and Personnel Management.

My professional career over the last 20+ years has focused on driving performance and transformational change in the private sector via a combination of people, process and technology capabilities. In addition, all of my transformational change activities in industry and as a consultant have involved strategic human capital and personnel management. Moreover, my certification as a Six Sigma Greenbelt and Design for Six Sigma experience have given me rigorous background in using statistical and analytical rigor to drive performance improvement.

8. Please briefly describe what your responsibilities have been as a senior advisor at OMB, and what your role has been in policy decisions.

As a Senior Advisor I have provided a perspective on leading private sector management practices in competencies related to Finance, Accounting, IT Transformation, Information Security, Strategic Human Capital Management, Supply Chain Management and Performance Improvement. I have provided the Director of OMB and his Chief of Staff with information in support of management related questions upon request by them.

9. What lessons have you learned during your time as a senior advisor at OMB that have prepared you for your new role as DDM, should you be confirmed?

During the brief time I have been here, I have been exposed to a range of perspectives from within government regarding the challenges and improvement opportunities for government to meet the needs of the American people. I have also undertaken a review of publically available perspectives on the same topics, and have compiled data regarding public perspectives on existing government services to ensure that I have a baseline understanding. Perhaps most importantly, I have worked to ensure that I have a solid understanding of the key mission, priorities, management successes and challenges facing the agencies that directly serve the American people.

10. Please briefly describe the type of work you did as a principal at the accounting firm Ernst & Young.

I served as the Americas Lead for the Payments Practice in EY's consulting business. My responsibilities focused on serving the management consulting needs of banks, financial technology firms and other Fortune 500 companies.

11. Please describe your relationship with OMB Director Mick Mulvaney, including any previous business or financial relationships and how long you have known one another.

Director Mulvaney and I have known each other since we were classmates at Georgetown University 1985-1989. As such we have known each other academically and socially since that time. I made a one-time contribution to one of his congressional campaigns, but we have not had any other business or financial relationships with each other.

### **III. Role of the DDM - OMB**

12. Please describe your view of OMB's core mission and the DDM's role in achieving that mission.

My view is that the Mission of the OMB is to assist the President in handling budget, management and regulatory activities consistent with the Executive Branch's policy objectives and statutory responsibilities. The DDM role is focused on addressing the core management functions that support those policy objectives and statutory responsibilities, with a particular emphasis on Financial Management, Procurement, Information Technology and Performance and Personnel Management.

13. Have you and OMB Director Mick Mulvaney discussed what your role will be if you are confirmed? If so, please describe those discussions and identify any specific programs or areas you will be working on.

Director Mulvaney and I have discussed his perspectives on modernizing government management by leveraging leading practices from the private sector to improve efficiency, effectiveness and transparency of government. The Director indicated that the

DDM role would have responsibility for the key management offices and take point on key management issues as they arise.

14. How do you view the role of Deputy Director in the context of the Deputy Director of Management as well as OMB's three main offices: the Office of Information and Regulatory Affairs, the Office of Federal Procurement Policy, and the Office of Federal Financial Management?

My perspective about the role of the DDM is that the position focuses on coordinating the management related activities and priorities in OMB. If confirmed, I look forward to working with the Senate-confirmed heads of each of the statutory offices on these issues.

15. Have you and OMB Deputy Director nominee Russ Vought discussed what your respective roles will be if you both are confirmed? If so, please how you view the relationship between these two roles in light of these discussions.

No

16. How do you view your role as DDM with respect to the management of federal agencies?

The DDM has a key role in sharing leading practices and providing a vision for management with leaders across the Executive Branch. The primary platforms for sharing those practices include the President's Management Council and the CxO Councils. Based on my short time as a Senior Advisor to the Director, I have concluded that there are three key areas where there are significant opportunities to apply private sector principles to enhance the management of government operations: 1) IT Modernization; 2) Data, Accountability and Transparency; 3) People/Workforce Strategy.

#### IV. Policy Questions

17. What do you believe are the most pressing challenges currently facing OMB? How would you plan to prioritize and address each? What do you hope to accomplish during your tenure?

If confirmed, I look forward to working with the Director of OMB, and his leadership team to identify and prioritize activities using a rigorous, fact-based approach. If confirmed, I would like to have a measurable impact on reducing waste and inefficiency in government.

18. In your view, what are the highest priorities in both urgency and importance for managing the executive branch? Please explain.

Based on my short time as a Senior Advisor to the Director, I have concluded that there are three key areas where there are significant opportunities to apply private sector



principles to enhance the management of government operations: 1) IT Modernization; 2) Data, Accountability and Transparency; 3) People/Workforce Strategy.

19. What measurements would you use to determine whether your office is successful?

If confirmed, I would look to build on and streamline Executive Branch work that has already been done to establish performance metrics, open reporting and data standards. Moreover, I would seek to work with the relevant Congressional Oversight bodies to improve automation of many of the existing measurement activities in order to ensure the optimal balance of accountability, transparency and efficiency.

20. If confirmed as DDM, you will be involved in the execution of President Trump's March 13, 2017 executive order on reorganizing government. Previous DDM David Mader said that Trump's reorganization plan gives an opportunity for "career executives to put forward their own bold plans on how to make delivery of the mission better." Do you agree with that assessment? Please explain.

Although the work associated with the March 17, 2017 Executive Order took place before I joined the OMB as a Senior Advisor, it is my understanding that the process was designed to provide agencies with the ability to share their perspectives on how to streamline operations and improve focus on mission while also saving money for the American taxpayer.

21. OMB is responsible for implementing the President's management agenda. What are your priorities for this agenda?

If confirmed as DDM, I would look forward to working with the President's Management Council to align leading practices from the private sector with the specific needs and challenges of the agencies' missions. In particular, I would seek to focus much of the discussion in the PMC around opportunities related to 1) IT Modernization; 2) Data, Accountability and Transparency; and 3) People/Workforce of the Future.

22. How would you handle employee disciplinary issues within OMB?

a. How would you respond to underperforming employees within OMB?

If confirmed, I would work with the OMB's Chief Human Capital Officer to address the specific issues in accord with established policy.

b. Please explain your views on putting an employee on paid administrative leave pending an investigation or disciplinary action. Under what circumstances, if any, do you believe that might be appropriate?

I am not familiar with the current established practices for paid administrative leave. If confirmed, I would seek to study and better understand the core issues involved,

and their relevant impact on the efficiency and effectiveness of agencies' ability to support their core missions.

23. Protecting whistleblowers is of the utmost importance to this Committee.

- a. How do you plan to implement policies within the OMB to encourage employees to bring constructive suggestions forward without the fear of reprisal?

I understand the importance of this issue, and although I don't yet know the specifics of existing policies, if confirmed, I would seek to work with relevant experts and stakeholders to better understand the core issues and appropriately respond to them.

- b. Do you commit without reservation to work to ensure that any whistleblower within OMB does not face retaliation?

Yes

- c. Do you commit without reservation to take all appropriate action if notified about potential whistleblower retaliation?

Yes

*Improper Payments, Performance, and Transparency*

24. The Government Performance and Results Act Modernization Act (GPRMA) was implemented by the previous administration which created the website Performance.gov. Do you believe there is value in maintaining Performance.gov? What are other ways in which the government maintains transparency and accountability in meeting its performance goals? If confirmed, how will you manage and improve performance?

I believe that there is great value in sharing critical metrics that demonstrate how effectively and efficiently the government is spending taxpayer money. In my short time as a Senior Advisor, I have become familiar at a high level with a number of government web properties that seek to achieve the end goal of providing relevant data, transparency and accountability around government spending. If confirmed, it would be one of my strategic priorities to fully assess all of the public reporting and information mechanisms (including Performance.gov) providing information to the American people in order to maximize the effectiveness of information sharing, while also ensuring the efficiency and consistency of information delivery.

25. What concrete steps will you take if confirmed as DDM to enable the federal government to perform its essential Constitutional functions more efficiently and for less cost?

If confirmed, I believe it is the role of the DDM to look constantly and continually for efficiency opportunities. Existing work around Improper Payments, Shared Services and Category Management appears to be aligned with that perspective. If confirmed, I would

seek to identify additional opportunities for process automation, self service solutions and IT modernization to provide material efficiency gains.

26. Of the 24 agencies included in the Chief Financial Officers Act of 1990 (CFO Act), only 9 were reported by their inspectors general as compliant with the Improper Payments Elimination and Recover Act of 2010 (IPERA). What steps will you take as DDM to ensure that all agencies comply with improper payments laws?

If confirmed, I would seek to work with the Office of Federal Financial Management (OFFM) and the CFO Council to continue to identify and help address barriers to full exploration of the financial opportunities associated with addressing Improper Payments.

27. The 15 CFO Act agencies that were noncompliant with IPERA accounted for \$132 billion of the \$136.7 billion in improper payments in fiscal year 2015. Other than improving IPERA compliance, what steps will you take to reduce improper payments at these 15 agencies?

If confirmed, I would work with OFFM, the CFO Council and relevant organizations to identify high priority opportunities to reduce improper payments. Based on my limited exposure to date, it appears that there are significant opportunities to be gained from further expansion of the Do Not Pay database, as well as expansion of efforts to better coordinate with states on improper payments associated with grants to states. In addition, if confirmed, I would seek to explore opportunities to use advanced analytics and process automation to streamline improper payments investigations, and ultimately eliminate more improper payments at the source.

28. From 2010 to 2013, total annual improper payments dropped from \$121 billion to \$106 billion. However, the improper payment rates rose sharply over the last 3 years of the Obama Administration, totaling over \$144 billion in 2016. What lessons can be learned from the declining improper payments at the beginning of the decade, and what steps can be taken to ensure that improper payments are reduced over time?

Based on my limited exposure to the data around improper payments, it appears that there are a number of factors affecting those statistics that make it difficult to say with certainty what the underlying trends are. If confirmed, I would seek to get a more granular understanding of the data in order to identify distinct root cause issues associated with 1) processing errors; 2) actual fraud/monetary losses; 3) reporting/paperwork issues.

29. The Digital Accountability and Transparency Act of 2014 (DATA Act), was a priority for the Committee during the 113th Congress. Key implementation deadlines are approaching. What steps will you take to ensure that the DATA Act implementation stays on track?

As I indicated above, data, accountability and transparency would be key priorities if I am confirmed as DDM. If confirmed, I look forward to working with Congress to ensure that we collectively move forward on modernizing the data capabilities of our

government, via increased automation, consistent data taxonomy, and enhanced use of leading self-service and data visualization tools.

30. The Committee has worked to pass the Taxpayer's Right to Know Act for several years now. The legislation attempts to link the funding information required by the DATA Act with performance information. What is your opinion of the Taxpayer's Right to Know Act?

My understanding of the Taxpayer's Right to Know Act is that it is aligned with the spirit of providing more data and information about how taxpayer money is spent. So although I am not familiar with the specifics of the legislation, I am aligned with its spirit.

31. What is your assessment of the oversight work performed by the IGs over the past decade? What do you view as the greatest challenges facing the IGs? What do you see OMB's role in addressing these challenges?

In my brief time at the OMB, I have only had a cursory level of exposure to the work of the IGs. However, I believe that any healthy organizational entity, particularly one of the size and scope of the U.S. government, needs a strong enterprise risk orientation to provide the right "checks and balances" to its operations. To that end, if confirmed, I look forward to working with the IGs through the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

32. The Paperwork Reduction Act, the electronic amendments to the Freedom of Information Act (FOIA), the E-Government Act, and current OMB circulars, together have led to a government-wide policy that supports the dissemination of government information and access to that information via the internet. Do you believe this current framework is enough to support continued modernization of the way the government shares and collects information?

If confirmed I would seek to better understand the core issues involved to ensure that the U.S. Government can support the broad dissemination of information to the public in the most relevant and open ways possible, including the Internet.

33. What standard should be applied in determining the circumstances under which the federal government should be proactive in its dissemination of information to the public or when the dissemination of information should require a FOIA request?

I am not familiar with the current standards, so if confirmed, I would look to better understand the requirements of the existing framework in order to build a fact-base around how that framework aligns with leading practices globally.

#### *Management*

34. In 2012, then-DDM Danny Werfel issued a memorandum implementing Executive Order M-12-12 Section 3: Freeze the Footprint. While the savings associated with the Freeze

the Footprint policy were later questioned, the effort did succeed in pausing the government's expansion of its real property footprint. Do you believe the government should continue efforts to reduce the federal real property footprint and, if so, how should this be accomplished?

If confirmed, I would seek to establish a fact base that provides perspective on effectiveness of efforts to date, before determining how to proceed.

35. In December 2016, the Federal Assets Sale and Transfer Act (P.L. 114-578) was signed into law, which establishes a Public Buildings Reform Board to identify and sell excess real property. What steps will you take to ensure the full implementation of this legislation?

If confirmed, I will work with the relevant teams at OMB to ensure OMB is providing appropriate support and leadership required for implementation.

36. What, if any, reforms would you suggest to expedite the process for disposing of excess, underutilized, or surplus real property?

At this time, I am not sufficiently informed to comment.

37. What role, if any, should OMB play in ensuring agency collaboration and greater sharing of data helpful for curbing waste and fraud? If confirmed how do you plan to carry out this role?

If confirmed, I look forward to working with the President's Management Council, the CFO Council and any other relevant CxO Councils to promote data accountability and transparency.

38. Do you agree with the importance of publicly disclosing the federal government's performance goals and the results achieved?

Yes

39. One of OMB's principal goals is to improve the effectiveness and efficiency of government programs. What OMB initiatives do you believe will make the greatest difference in government efficiency and effectiveness? How can those efforts be integrated with the budget process and with the work of the congressional authorizing and appropriating committees?

If confirmed, I believe it is the role of the DDM to look constantly and continually for efficiency opportunities. Existing work around Improper Payments, Shared Services and Category Management appears to be aligned with that perspective. If confirmed, I would seek to identify additional opportunities for process automation, self service solutions and IT modernization to provide material efficiency gains. Investments in any new initiatives

would need to be aligned with the standard budget, approval and appropriations processes.

40. The Government Accountability Office (GAO) has recommended repeatedly that that OMB develop and implement a framework for conducting performance reviews of tax expenditures, which represent forgone revenue estimated at \$1 trillion. GAO has also recommended that OMB designate tax expenditures as a type of program and include relevant information about each expenditure in future iterations of the federal program inventory. Do you agree with GAO's recommendations? If not, why not?

I have not reviewed the detail of those recommendations, but if confirmed would be happy to review them.

41. Sec. 1222 of GPRAMA instructs OMB to "issue guidance to ensure that such information is provided in a way that presents a coherent picture of all federal programs, and the performance of the federal government as well as individual agencies." The statute also states that the standards set for transparency and frequency of updates are the minimum.

- a. If confirmed as Deputy Director, what steps will you take to ensure that disclosures to the public are provided in a coherent and easily accessible manner?

If confirmed I would work with the relevant OMB teams on this issue.

- b. If confirmed, would you support OMB using its website to provide transparency and accountability to the public? How should this be done?

If confirmed, it would be one of my strategic priorities to fully assess all of the public reporting and information mechanisms (including the OMB website) providing information to the American people in order to maximize the effectiveness of information sharing, while also ensuring the efficiency and consistency of information delivery.

*Federal Personnel Management Policy*

42. The Office of Personnel Management (OPM) maintains primary oversight and management authority of the federal government's civil service. However, OMB plays a significant role in overseeing federal personnel policy and works extensively with OPM. For instance, OMB's April 12, 2017 memorandum on the government-wide reorganization specifically stated that "OMB and the Office of Personnel Management (OPM) will work with agencies to facilitate reductions in the size of their workforce and monitor progress."

- a. Broadly, what role(s) do you see OMB playing in the management of the federal civil service?

The OMB Office of Performance and Personnel Management plays a role in coordinating inputs around the strategic "people" agenda via the President's Management Council (PMC) and the Chief Human Officer Council (CHCOC). The role of OMB is to provide a rich fact base on relevant human capital issues and leading practices to ensure that the U.S. federal civil service is well positioned to support the needs of the American people.

- b. If confirmed, how will you support OPM in its efforts to improve the management of the federal civil service?

If confirmed, I look forward to working with the PMC, CHCOC and OPM to analyze opportunities to better align federal civil service management practices with the needs of our 21<sup>st</sup> century government mission.

- c. If confirmed as Deputy Director, how will you improve mission delivery, efficiency, and accountability to the public across the government as required by the April 12, 2017 OMB reorganization memo?

Although the preliminary work associated with the April reorganization memo took place before I joined the OMB as a Senior Advisor, it is my understanding that the process was designed to provide agencies with the ability to share their perspectives on how to streamline operations and improve mission while also saving money for the American taxpayer. If confirmed, I would work to align all the elements associated with the efficient and effective management and operations of government functions so that organization, people, processes, technology and data capabilities are better aligned with the underlying missions of Executive Branch agencies.

*Government Accountability Office (GAO) High Risk List*

43. Every two years GAO releases a list and report on the most critical issues facing the United States Government. Success at remediating the items on the list requires sustained leadership commitment and constant communication with the Comptroller General. If confirmed, will you commit to regular interaction with the Comptroller General and GAO staff on the High Risk List?

Yes

44. This year, the U.S. Census was included on the High Risk List due escalating costs, delays, and a lack of attention to GAO's recommendations by previous Census Director Thompson. Will you commit to prioritizing the financial management of this important national program and to working with the Commerce Department CFO to improve financial management at the Census Bureau?

If confirmed, I will commit to focusing the appropriate resources to better understand and address the core issues.

**V. Relations with Congress**

45. Do you agree without reservation to comply with any request or summons to appear and testify before any duly constituted committee of Congress if you are confirmed?

Yes

46. Do you agree without reservation to make any subordinate official or employee available to appear and testify before, or provide information to, any duly constituted committee of Congress if you are confirmed?

Yes

47. Do you agree without reservation to comply fully, completely, and promptly to any request for documents, communications, or any other agency material or information from any duly constituted committee of the Congress if you are confirmed?

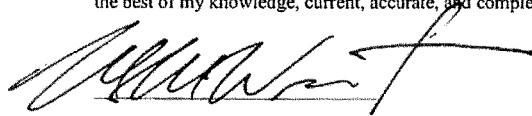
Yes

**VI. Assistance**

48. Are these answers your own? Have you consulted with OMB or any other interested parties? If so, please explain.

Yes, the answers included here are entirely my own. However, I did consult with members of the OMB Management team and the OMB Legislative Affairs team to ensure I understood some of the more technical questions included in this questionnaire.

I, Margaret Weicht, hereby state that I have read the foregoing Pre-Hearing Questionnaire and Supplemental Questionnaires and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.



This 9<sup>th</sup> day of November, 2017



**Minority  
Supplemental Pre-hearing Questionnaire  
For the Nomination of Margaret Weichert to be  
Deputy Director for Management – Office of Management and Budget**

**I. Nomination Process and Conflicts of Interest**

1. Has the President or his staff asked you to sign a confidentiality or non-disclosure agreement?  
  
No
2. Has the President or his staff asked you to pledge loyalty to the President or the Administration?  
  
No
3. During your tenure have you asked any federal employee or potential hire to pledge loyalty to the President, Administration or any other government official?  
  
No

**II. Background of Nominee**

4. Do you seek out dissenting views and how do you encourage constructive critical dialogue with subordinates?  
  
Yes. Leading private sector practices for enterprise risk management routinely employ frameworks to ensure thorough assessment of major change or investment decision making activities. It has long been a standard practice of mine to routinely seek input from diverse stakeholders to ensure there are no unintentional biases.
5. Please give examples of times in your career when you disagreed with your superiors and aggressively advocated your position. Were you ever successful?  
  
As an innovator and change agent throughout my professional career, I routinely have been in positions where it was my job to challenge conventional wisdom and provide a fact-based perspective on a different way of moving forward. Specific examples where I advocated for different ways forward in my career include customer service strategies for online banking and a new approach to cash management. On balance I believe the use of rigorous fact-based analysis led me to successfully change the strategic direction about half of the time.
6. Please list and describe examples of when you made politically difficult choices that you thought were in the best interest of the country.

As an individual who is new to the political and government realm, I have not been in that position.

7. What would you consider your greatest successes as a leader?

My greatest successes as a leader have been achieved when I have been able to empower teams to do things they did not believe they could do, and were afraid to even try.

8. What would you consider your greatest failure as a leader? What lessons did you learn from that experience?

My biggest leadership challenge occurred during the financial crisis, when I was unable to protect the people and the projects that my team had been working on from the contractionary impacts of that crisis. It was an important reminder to me that in the end, the needs of the shareholder and the responsibilities of our organization to the broader community were paramount to any specific initiative or sub-organizational unit.

9. In September 2017, you began working at OMB as a senior advisor to the OMB Director.

- a. Please describe your current role and responsibilities as Senior Advisor at OMB.

As a senior advisor I have provided a perspective on leading private sector management practices in competencies related to Finance, Accounting, IT Transformation, Information Security, Strategic Human Capital Management, Supply Chain Management and Performance Improvement. I have provided the Director of OMB and his Chief of Staff with information in support of management related questions upon request by them.

- b. Please provide a list of your direct reports and those individuals to whom you directly report.

As a Senior Advisor I have no direct reports. I report directly to the Chief of Staff of the OMB, Emma Doyle.

- c. Have you received any guidance regarding compliance with the Federal Vacancies Reform Act? If so, please describe what guidance you have received.

No

- d. Have you received copies of delegation of authorities applicable to the position of OMB DDM or to your current position as Senior Advisor to the OMB Director.

No

- e. Please explain what specific tasks assigned to the OMB DDM that you are barred from performing in your current capacity as Senior Advisor. Please explain what

steps OMB has taken to ensure that you and OMB staff comply with these limitations.

In my capacity as Senior Advisor my activities are limited to providing advice and input to the Director of the OMB and his team on management issues. I defer to the Acting DDM and other relevant players for decision making and other non-advisory activities.

### III. Policy Questions

#### *Regulatory Affairs*

10. OMB Director Mulvaney was recently quoted as saying, "It is our position that the previous administration failed to follow the law in many, many circumstances .... And that they simply imposed regulation without proper regard to the cost side of that analysis." Do you agree with this statement? If so, which legal requirements do you believe were not followed by the previous administration and can you point to specific examples that support this allegation?

I have not discussed this statement with Director Mulvaney and therefore cannot provide any perspective on his thoughts.

11. What role do you think OMB has when it comes to the substance of rules versus the budgetary impact?

To the extent that my background is purely in the business realm, typically the appropriate balance between compliance/rules activities requires a cost/benefit analysis to consider tradeoffs.

12. What are the main principles that you think should be taken into consideration in promulgating and issuing new regulations?

To the extent that my background is purely in the business realm, typically the appropriate balance between compliance and risk management activities requires a cost/benefit analysis

13. What are the main principles that you think should be taken into consideration in removing a regulation from the U.S. code?

Again, speaking only from a business standpoint, it would seem that assessing the costs vs. benefits of eliminating a regulation should be considered.

#### *Management*

14. One of OMB's principal goals is to improve the effectiveness and efficiency of government programs. What OMB initiatives do you believe will make the greatest difference in government efficiency and effectiveness? How can those efforts be integrated with the

budget process and with the work of the congressional authorizing and appropriating committees?

If confirmed, I believe it is the role of the DDM to look constantly and continually for efficiency opportunities. Existing work around Improper Payments, Shared Services and Category Management appears to be aligned with that perspective. If confirmed, I would seek to identify additional opportunities for process automation, self service solutions and IT modernization to provide material efficiency gains. Investments in any new initiatives would need to be aligned with the standard budget, approval and appropriations processes. In this regard, I would seek to work closely with the relevant congressional and appropriations committees.

15. OMB plays a critical role in ensuring that federal agencies are working to identify, reduce and properly report improper payments.

- a. What is your view of OMB's role in this process?

OMB and the Office of Federal Financial Management have played a key coordinating, analytical and project management role in moving the Improper Payments agenda forward, in collaboration with the CFO Council.

- b. What steps will you take to ensure OMB and federal agencies' compliance with applicable reporting laws and regulations?

If confirmed, I would seek to work with the Office of Federal Financial Management (OFFM) and the CFO Council to continue to identify and help address barriers to full exploration of the financial opportunities associated with addressing Improper Payments.

16. The Paperwork Reduction Act, the electronic amendments to the Freedom of Information Act (FOIA), the E-Government Act, and current OMB circulars, together have led to a government-wide policy that supports the dissemination of government information and access to that information via the internet. What standard should be applied in determining the circumstances under which the federal government should be proactive in its dissemination of information to the public or when the dissemination of information should require a FOIA request?

If confirmed, I would seek to better understand the core issues involved to ensure that the U.S. Government can support the broad dissemination of information to the public in the most relevant and open ways possible.

*Contracting and Procurement Policy*

17. If confirmed, what specific changes will you make to federal procurement policy that will limit the federal government's responsibility for cost overruns on existing and future contracts?

If confirmed, I look forward to working with the Office of Federal Procurement Policy, the General Services Administration and the Chief Procurement Office Council to assess existing activities and potential opportunities for improvement.

18. On April 18, 2017, the President issued the "Presidential Executive Order on Buy American and Hire American." Please describe the role that you have had in OMB's implementation of this Executive Order and the role that you expect to play if confirmed.

To date, I have played no role in the implementation of this policy. If confirmed, I would seek to learn what responsibilities are involved for the DDM related to this policy.

19. Too often, agencies' contracting decisions - e.g., over reliance on noncompetitive contracts, or inappropriate use of "cost plus" contracts - have unnecessarily inflated contract costs. What are the most important steps that OMB should take to ensure that agencies' contracting decisions do not waste taxpayer dollars?

If confirmed, I would seek to review existing practices and build a fact base to better understand opportunities to address cost and waste concerns associated with this aspect of procurement, in collaboration with OFPP, GSA and the Chief Procurement Officers Council.

20. What factors should OMB and the Office of Federal Procurement Policy (OFPP) consider when reviewing federal agencies' business cases for the award of new government-wide acquisition contracts?

If confirmed, I would seek to review existing practices and build a fact base to better understand opportunities to address concerns and opportunities associated with this aspect of procurement, in collaboration with OFPP, GSA and the Chief Procurement Officers Council.

21. What do you see as the appropriate relationship between OFPP and the acquisition policy functions of GSA?

I am not familiar with the historical or functional distinctions between the two organizations, nor do I understand any statutory basis for historical roles, so I am not sufficiently informed to comment on this.

22. The Obama Administration focused on the use of shared services and category management to make federal procurement more efficient and cost-effective. If confirmed, will you support category management? If so, what specific steps do you plan to take to continue its implementation?

Both shared services and category management are well established management practices used by mature enterprises in the private sector. So, I am conceptually supportive of continuing efforts in those areas. If confirmed, I would work with the relevant offices in OMB and GSA to better understand current activities and support enhancements to improve and expand upon those efforts as appropriate.

*Real Property Management*

23. What do you believe are the principal obstacles that the federal government faces in the management of, and where appropriate, disposition of federal real property?

I have not been directly involved in this area to date. If confirmed, I would look forward to working with the relevant offices to assess leading practices and opportunities.

24. What do you view to be the most significant current and potential cyber security threats facing our federal networks and critical infrastructure owners and operators? If confirmed, what steps do you intend to take to improve the nation's cyber security, both with respect to the government and private networks?

The recently developed IT Modernization Report, was developed by OMB's Chief Information Security Officer in response to Executive Order 13800 in cooperation with the Office of Science and Technology Policy (OSTP), the National Security Council (NSC) and experts from the Department of Homeland Security (DHS). This report, which is expected to be released publically in December 2017, appears to provide a solid overview of opportunities to enhance cybersecurity in the Federal Government. If confirmed I would look forward to working with experts in the federal cyber community to identify and support the required investments in technology, process, procurement and other areas needed to ensure a more secure cyber environment.

*Financial Management Systems*

25. What is your view of the government's current financial reporting requirements? Would you suggest any revisions to OMB Circular A-136, Financial Reporting Requirements?

To date, I have been exposed to a high-level view of financial reporting requirements, but do not have sufficient information to offer specific suggestions for revision. If confirmed, I would work with the Office of Federal Financial Management, the CFO Council and other relevant organizations to better understand the current requirements, their efficacy, and any challenges or opportunities for improvement.

26. The Obama Administration has emphasized the importance of having appropriate risk management processes and systems to identify challenges early, to bring them to the attention of Agency leadership, and to develop solutions. As part of this effort, OMB updated Circular A-123 in July 2016, to adopt a more integrated risk management structure. The updated Circular A-123 requires Agencies to implement an enterprise risk management capability coordinated with the strategic planning and strategic review process established by the GPRA Modernization Act, and the internal control processes required by the federal Managers' Financial Integrity Act (FMFIA) and GAO's Green Book.

- a. Do you support the integrated approach detailed in Circular A-123?

Yes

- b. If not, please explain your view on the appropriate approach to ensuring agencies maintain appropriate risk management practices?

*Executive Orders*

27. Under Executive Order 11030, as amended, OMB substantively reviews and clears all draft Presidential Executive Orders and Memoranda to agency heads prior to their issuance. What, in your view, is the appropriate use of executive orders? What criteria should OMB use when evaluating proposed executive orders?

As a newcomer to government, I do not yet have sufficient information to have an informed opinion on this topic.

28. Are there any existing executive orders that you believe should be repealed or replaced? If so, describe which executive orders and your reasoning.

Since coming to Washington in September I have focused my time on the management agenda and as such am conceptually supportive of the spirit of executive orders associated with regulatory reform, government reorganization and IT Modernization. I have not focused on evaluating other executive orders.

*Budget and Economic Policy*

29. At a March 13, 2013, Homeland Security and Governmental Affairs Committee hearing titled "The Costs and Impacts of Crisis Budgeting," witnesses discussed the numerous management and other challenges government shutdowns and continuing resolutions create for federal agencies, state governments, and government employees. If confirmed, you will play an important role in ensuring that agencies across government are effectively managing the resources entrusted to them. What steps would you take to avoid the waste and inefficiency that can result from the kind of budget uncertainty agency managers have been forced to deal with in recent years?

If confirmed, I would seek to work with the Federal Controller, the OFFM, the CFO Council and other relevant organizations to understand key challenges and opportunities to better avoid waste and inefficiency.

30. The debt limit, or debt ceiling, will soon reach the end of its suspension. Existing obligations will require that the debt ceiling be raised in order to avoid breaching the debt limit.

- a. Do you believe it is necessary to raise the debt ceiling? Why or why not?

Although this particular question is not directly related to the management agenda, I subscribe to the commonly held belief in the broader business community that raising the debt ceiling is critical to the efficient functioning of the U.S. economy and the credit rating of the United States.

- b. What do you believe would be the impact of not raising the debt ceiling? Would there be impacts on the credit rating of the United States, on the stock market, on the national and global economy?

Although the debt ceiling is not directly a part of the management agenda, I share a belief that is generally held in the business community that failure to raise the debt ceiling could drive market instability, have macro implications for financial liquidity and interest rates as well as impact the credit rating of the US, which in turn would increase the cost of borrowing to support government operations. That being said, there is also general consensus in the business community that the core underlying issues around deficit spending and the national debt must be responsibly addressed in order to provide the environment for long-term economic growth.

31. OMB Director Mick Mulvaney has argued that, were the debt ceiling breached, the government could choose which obligations to pay and which not to pay, and therefore that the debt ceiling can be breached without the government going into default on its debts. Do you agree with that argument? If so, and if the debt ceiling were not raised at some future point, which government obligations would you prioritize for payment? Which would you prioritize for default?

I have not discussed this issue with Director Mulvaney, and am not knowledgeable enough to comment.

32. In your view, what actions should Congress and the Administration take to address long term structural budgetary imbalances? By what amount do you believe our deficit should be reduced in order to stabilize our finances, and by how much in the short term and by how much in the long term? What level of publicly held debt as a percentage of GDP do you believe would be appropriate to achieve by 2025?

As this issue is not directly related to the management agenda, I have not studied this and therefore do not have an informed view on this.

#### *Personnel Management*

33. What do you believe the biggest challenges are in addressing skill gaps in the federal government? What role should OMB play in efforts to improve human capital management across the federal government?

Based on preliminary analysis of current personnel practices and policies, it appears that many federal personnel practices and policies were designed in the 20<sup>th</sup> century to meet the realities of that time. I do believe there are opportunities for a strategic assessment to align the human capital practices of the Federal Government to better meet the needs of the 21<sup>st</sup> century. OMB can play a strategic leadership role in cooperation with the PMC and the CHCOC in establishing a strategic transformation agenda around building the workforce for the 21<sup>st</sup> century.



34. What do you believe the role of the Senior Executive Service (SES) should be in the federal workforce? If confirmed, what, if any, measures would you take to reform the SES system?

In my brief time at OMB, I have been impressed with the quality, experience and dedication of the SES employees I have met. I believe these individuals play a critical role in providing stable, consistent leadership, institutional expertise and perspective. If confirmed, I would look to better understand the current program parameters to examine if there were any ways in which to better leverage this program.

35. Do you believe that hiring freezes lead to decreases in government spending? If so, does this come at a cost to efficiency and productivity? Do you believe the use of contractors is necessary and cost effective?

I have not reviewed any empirical data on this topic and therefore do not yet have an informed opinion.

#### *Whistleblower Protections*

36. Please describe any previous experience—in the public or private sector—with handling whistleblower complaints, and what steps you took to ensure those individuals did not face retaliation and that their claims were thoroughly investigated?

I do not have any specific experience with whistleblower programs.

37. If confirmed, how will you ensure that whistleblower complaints are properly investigated?

I understand the importance of this issue, and although I don't yet know the specifics of existing policies, if confirmed, I would seek to work with relevant experts and stakeholders to better understand the core issues and appropriately respond to them.

38. If confirmed, will you ensure officials in your agency do not retaliate against federal employees, officials and contractor employees who communicate with representatives from this Committee, the GAO, IGs, the Office of Special Counsel, and any other statutorily protected channels for disclosure?

Yes

#### **IV. Accountability**

39. During your career as a federal employee, have you ever used a personal email account or device to conduct official government business?

No

- a. If so, please list in what government positions you have used a personal email account or device to conduct official government business.
  - b. If you used a personal device, please describe your general practice for doing so, and what specific steps you have taken to ensure that federal records created using personal devices and accounts were preserved.
  - c. During your tenure as a federal employee or member of the beachhead team, have you used a smartphone app including, but not limited to, WhatsApp, Signal, Confide, and others that support encryption or the ability to automatically delete messages after they are read or sent, for work-related communications? If so, please indicate which application, when it was use, how often and with whom.
40. Please provide information regarding GSA's oversight the Federal Travel Regulations including an explanation of how GSA ensures that federal agencies comply with their reporting requirements for executive travel on "government aircraft." In addition, please provide copies of the most recent agency reports, which should have been provided to GSA on April 30.

I have not been involved in this activity, but would be happy to share this request with relevant parties at GSA.

41. What is your assessment of the oversight work performed by the IGs over the past decade? What do you view as the greatest challenges facing the IGs? What do you see OMB's role in addressing these challenges?

During my brief time at OMB as a senior advisor, I have not had the opportunity to study the work conducted by the IG community. If confirmed, I look forward to learning more about this work and getting to know the members of this community via the Council of the Inspectors General on Integrity and Efficiency (CIGIE) meetings and any other relevant interactions.

42. During your career, has your conduct as a federal employee ever been subject to an investigation or audit by an Inspector General, Office of Special Counsel, Equal Employment Opportunity Commission, Department of Justice, or any other federal investigative entity? If so, please describe the investigation or audit and its outcome.

No

43. During your career as a federal employee, have you ever declined to implement recommendations made by the Office of Inspector General, the Office of Government Ethics, the Office of Special Counsel or the Government Accountability Office? If so, please describe the recommendations that were made and your reasoning for not implementing them.

No

44. If confirmed, do you pledge to implement recommendations made by the Office of Government Ethics, the Office of Special Counsel and the Government Accountability Office?

If confirmed, I am committed to working with these important organizations to understand any issues raised and take relevant action as appropriate.

#### V. Relations with Congress and the Public

45. If confirmed, how will you make certain that you will respond in a timely manner to Member requests for information?

If confirmed, it would be a priority for me and the Management team to respond in a timely manner to Member requests.

46. If confirmed, do you agree without reservation to reply to any reasonable request for information from the Ranking Member of any duly constituted committee of the Congress?

Yes.

47. If confirmed, do you agree without reservation to reply to any reasonable request for information from members of Congress?

Yes.

48. If confirmed, do you commit to take all reasonable steps to ensure that you and your agency comply with deadlines established for requested information?

Yes

49. If confirmed, do you commit to protect subordinate officials or employees from reprisal or retaliation for any testimony, briefings or communications with members of Congress?

Yes

50. If confirmed, will you ensure that your staff will fully and promptly provide information and access to appropriate documents and officials in response to requests made by the Government Accountability Office (GAO) and the Congressional Research Service?

Yes

51. If confirmed, will you agree to work with representatives from this Committee and the GAO to promptly implement recommendations for improving OMB's operations and effectiveness?

If confirmed, I am committed to working with the GAO to understand any issues raised and take relevant action as appropriate.

52. If confirmed, will you direct your staff to fully and promptly respond to Freedom of Information Act requests submitted by the American people?

Yes

53. If confirmed, will you ensure that political appointees are not inappropriately involved in the review and release of Freedom of Information Act requests?

Yes. If confirmed I would direct the members of the management team to ensure that FOIA requests are handled appropriately in a way that is free from political considerations.

54. If confirmed, will you direct your staff to adopt a presumption of openness where practical, including identifying documents that can and should be proactively released to the public without requiring a Freedom of Information Act request?

Yes

55. If confirmed, will you keep this Committee apprised of new information if it materially impacts the accuracy of information your agency's officials have provided us?

Yes

#### VI. Assistance

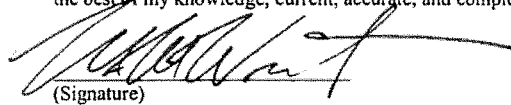
56. Are these answers completely your own? If not, who has provided you with assistance?

Yes

57. Have you consulted with OMB or any other interested parties? If so, please indicate which entities.

The answers included here are entirely my own. However, I did consult with members of the OMB Management team and the OMB Legislative Affairs team to ensure I understood some of the more technical questions included in this questionnaire.

I, Margaret Weichert, hereby state that I have read the foregoing Pre-Hearing Questionnaire and Supplemental Questionnaires and that the information provided therein is, to the best of my knowledge, current, accurate, and complete.

  
(Signature)

This 9th day of November, 2017

**Senator Claire McCaskill  
Post-Hearing Questions for the Record  
Submitted to Margaret Weichert**

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget  
Thursday, December 14, 2017**

**COOPERATION WITH CONGRESS**

- Q: Do you agree that Freedom of Information Act (FOIA) exemptions do not apply to congressional oversight requests?

While I cannot speak to the legal requirements of the FOIA, I am committed to working with Congress to ensure that Congress has the information that it needs in order to fulfill its critical oversight function.

- Q: Will you pledge to copy the Ranking Member and/or staff on all official correspondence with the Committee and ensure that such correspondence is transmitted to the Ranking Member's office contemporaneous with transmittal to the Committee?

I am committed to working with both the majority and the minority to ensure that Congress has the information that it needs in order to fulfill its important oversight function.

- Q: Will you pledge to ensure that all meetings, briefings, and other official engagements with the Committee staff include both the majority and minority?

I am committed to working with Congress to ensure that Congress has the necessary information to support its oversight activities.

**EXECUTIVE BRANCH REORGANIZATION**

In March 2017, President Trump issued an Executive Order directing the Office of Management and Budget (OMB) to submit a comprehensive plan to reorganize executive branch agencies. In April 2017, OMB issued a memorandum providing guidance to agencies on their reform plans.

- Q: Please discuss your prior experiences in implementing organizational reforms, and what you see as OMB's role in helping agencies to further refine and implement their reform plans?

If confirmed, I look forward to working with Congress and my Executive Branch colleagues to ensure the reorganization and reform proposals developed are effectively implemented and contribute to the best possible outcomes. In the private sector, I worked

on numerous organizational reforms and learned the importance of combining needed updates to organizational structure with a smart “people” strategy that considers how to align the workforce with the current roles and skillsets that organizations need.

Q: Please discuss what you see as OMB’s role in developing the “crosscutting” proposals called for in OMB’s April 2017 memorandum.

It is my understanding that OMB typically plays a lead role in coordinating the development of crosscutting policies that affect several agencies, and I expect OMB is playing a similar role when it comes to the Executive Branch reorganization process. If confirmed, I will more fully review OMB’s engagement on this and other issues.

OMB’s April 2017 memorandum states that “OMB will release the final Government-wide Reform Plan as part of the President’s FY 2019 Budget request to Congress.” In your testimony you recognized the importance of involving stakeholders, including Congress, during the reorganization process.

Q: Do you believe that Congress should be given the opportunity to review the Government-wide Reform Plan and provide feedback to OMB before the final Government-wide Reform plan is released?

My understanding is that Congress will have further opportunities to review and respond to any resulting policy proposals that emerge from the initial reorganization work as part of the legislative process. If confirmed, I look forward to getting up to speed quickly and working with Congress on proposals to reorganize the Executive Branch.

Q: If you are confirmed prior to OMB’s release of the final Government-wide Reform Plan, will you provide the Committee with the opportunity to give feedback on the draft plan?

It is my understanding that Congress will play a critical role in the success of nearly all significant reorganization proposals, and will have the opportunity to review and respond to proposals made by the Executive Branch as part of the normal legislative process. If confirmed, it would be a priority for me to get up to speed quickly to assess how the existing reorganization work will align with the President’s Management Agenda. Moreover, I would look forward to working with Congress on this Government-wide reform and carefully consider any feedback you have to ensure the best ultimate outcome.

Q: If you are confirmed after OMB has released the final Government-wide Reform Plan, how will you ensure that the Committee and other stakeholders can meaningfully participate in the reorganization process?

It is my understanding that Congress will play a critical role in the success of nearly all significant reorganization proposals, and will have the opportunity to review and respond to proposals made by the Executive Branch as part of the normal legislative process. If confirmed, I look forward to working with Congress on this Government-wide reform and will carefully consider any feedback you have to ensure the best ultimate outcome.

After the Government-wide Reform plan is released, OMB's guidance states that OMB and agencies will use various performance management tools put into place by the GPRA Modernization Act (GPRAMA) of 2010-such as cross-agency and agency priority goals and related quarterly data-driven reviews-to track progress in implementing planned reforms. However, the Government Accountability Office (GAO) has identified numerous actions OMB and agencies should make to improve implementation of the Act, many of which have not been implemented.

Q: What steps will you take to address those actions to ensure that the Executive Branch is best positioned to monitor the implementation-and ultimately the effects-of any reforms?

If confirmed, I am looking forward to better understanding the referenced challenges associated with the GPRAMA implementation to ensure that the Executive Branch is well positioned to monitor the impacts of reform efforts and support a continuous-improvement orientation.

Q: How will you assess whether proposed reforms are data driven and that meaningful data analysis is performed?

If confirmed, my plan for getting up to speed on the reorganization is to review:

- Agency reorganization submissions, including the fact-base associated with those submissions
- OMB analysis - As part of its ongoing interactions with agencies, OMB regularly works with agencies to understand the strength of data underlying policy decisions and take appropriate action.
- Analysis of implications of reorganization recommendations for the President's Management Agenda

If confirmed, I plan to leverage these existing practices and legal structures to facilitate further improvements in evidence-based policy making and data-driven management.

Q: Do you believe you will have the authority to slow down implementation if it is not truly data informed?

If confirmed, I plan to leverage all existing authorities to ensure implementation efforts are appropriately informed by data.

Q: If you have concerns about the reform plans how would you go about addressing those concerns with OMB leadership?

My leadership style is collaborative, but fact-based. If I have concerns about the direction of any activity in my purview, it is my practice to create a straightforward, fact-based analysis to support my position.

### **PERFORMANCE MANAGEMENT**

GAO has reported that initial efforts to develop an inventory of federal programs—something that could make government more transparent and reveal areas of duplication and overlap—had fallen short due to inconsistent information across agencies. In a September 2017 report on GPRAMA implementation, GAO recommended that OMB consider a systematic approach to developing the program inventory, and provide time frames and associated milestones for implementation.

Q: Please discuss OMB's plans for developing the federal program inventory, as required under GPRAMA, including time frames for its implementation and OMB's commitment to developing it.

My understanding is that USASpending.gov is the focal point for many of the efforts in this area. Moreover, I know that teams at OMB are working with colleagues across the Executive Branch to build on this effort and develop a path for further improving transparency of the federal governments programs, including connecting spending and performance information and developing a program inventory. As OMB moves forward on this effort, my understanding is that the process is designed to take their recommendations into account from GAO when developing a proposed approach.

The Program Management Improvement Accountability Act (PMIAA) enacted in December 2016, places requirements on OMB's DDM to help improve agency practices related to program and project management.

Q: Based on your prior experiences, how can improved program and project management help federal agencies design and deliver projects and programs within an accurately defined scope, cost and schedule?

Based on my prior experiences, strong program and project management discipline that cascades timelines, accountability and reporting to align with project and program objectives is a critical part of the discipline needed to implement complex change agendas in an effective and efficient manner.



Q: What are some of the key metrics that should be used to judge improvements to federal program and project management?

If confirmed, I would look to leverage the work of the Policy Council established by the PMIAA and agency expertise in determining where common metrics may be developed and implemented for oversight and continuous improvement.

Q: Specifically, how would you carry-out the “portfolio reviews” of GAO’s high-risk programs, required by the act?

If confirmed, I would work with OMB to better understand the specific requirements for portfolio review under the Act. And to the extent that the items on the GAO high-risk list require cross-agency involvement, I would work with the relevant CxO Council to identify the best way to identify root causes and opportunities for improvement.

GAO has reported that top leadership attention and congressional action have been key to progress on high risk issues. During past administrations, OMB’s DDM, the Comptroller General, and agency officials have met to discuss progress in addressing high-risk areas.

Q: Do you plan to continue the meetings with agency leaders and GAO to focus attention on addressing high risk issues?

My understanding is that OMB has regularly convened meetings between senior leadership at GAO and agencies identified on the high-risk list to discuss status updates and drive progress on addressing the identified risks. If confirmed, I plan to continue this practice.

Q: Do you see a need to accelerate progress on high risk issues? Why or why not? If confirmed, what steps will you take to do so?

GAO has performed an important public service by highlighting these issues, and if confirmed, I will look for opportunities to accelerate progress.

### **FEDERAL WORKFORCE**

If confirmed, you will be entering this role at a time when employee morale is significantly low due to threats of government shutdowns and proposed budget cuts in pay, retirement, and health care for federal employees.

Q: Do you support the President’s proposed cuts, and why? If these cuts are adopted, what are your plans to empower federal employees and to improve employee morale government-wide?

I believe that all workforce issues should be addressed in the context of the mission of the organization involved, the market environment and competitive considerations. If confirmed, I would seek to bring the fullest possible fact-base to the table to balance the mission and fiscal needs of the organization with the realities of managing a complex and diverse workforce in a competitive market for talent. One of the key pillars of the President's Management Agenda would be to develop the relevant fact-base to assess key questions:

- Market competitiveness of total compensation
- Leading practices around attracting and retaining top talent
- Leading practices around reskilling/realigning existing talent to meet the needs of the 21<sup>st</sup> century

Q: In your testimony, you stated that you support a “strategic approach” to workforce reduction efforts. If confirmed, what specific steps will you take to ensure that any current or planned workforce reduction efforts are done strategically?

I believe that all workforce issues should be addressed in the context of the mission of the organization involved, the market environment and competitive considerations. If confirmed, I would seek to bring the fullest possible fact-base to the table to balance the mission and fiscal needs of the organization with the realities of managing a complex and diverse workforce in a competitive market for talent. One of the key pillars of the President's Management Agenda would be to develop the relevant fact-base to assess key questions:

- Market competitiveness of total compensation
- Leading practices around attracting and retaining top talent
- Leading practices around reskilling/realigning existing talent to meet the needs of the 21<sup>st</sup> century

Q: What do you believe are the biggest impediments to recruitment and retention of private sector workers who might be interested in serving as senior executives within the federal bureaucracy?

From my perspective, the federal government offers the opportunity for workers to be involved in meaningful, important work that benefits the people of the United States. That opportunity is probably the most important value proposition we can offer to potential private sector workers. That is precisely why I decided to come to Washington. However, my observation to date is that in an agile, highly competitive market for talent a few key barriers make it challenging to attract the best talent:

- Slow, needlessly bureaucratic hiring process that takes up to a year to bring in new hires from the private sector
- Perceptions that excessive regulation and rules make it difficult to “make a difference”

- Lack of a “pay for performance” mentality that appears to reward all workers equally regardless of contribution or performance.

If confirmed, I would seek to identify and address root cause barriers to improving in those three areas.

Q: Federal hiring freezes have historically led to an increased reliance on contractors to compensate for staffing shortages. Do you believe that the comparative costs of contractors and federal employees should be taken into account before implementing a hiring freeze?

In a resource constrained environment I believe it is always prudent to look at the total cost of any strategic management decision, including indirect costs or contracting costs, in addition to direct labor costs. Moreover, I believe that it is also key to constantly look for opportunities to use process improvement and technology to find ways to do more with less in the long term.

Q: What is your current understanding of the extent to which federal agencies are considering the comparative costs of contractors and employees as part of the strategic and workforce planning processes (including Agency Reform Plans)?

As I have not been involved with or exposed to any analysis on this topic, I do not know what facts have been considered as part of the analysis.

Q: Do you believe that agencies should routinely conduct objective empirical analyses of the comparative costs of contractors and federal employees as part of the strategic and workforce planning processes? What do you believe OMB’s role should be in facilitating such analyses?

I have not had an opportunity to study the use of cost comparisons and, if confirmed, would confer with relevant management offices in OMB to review this matter.

Q: In your opinion, what specific short- and long-term costs should be included in an empirical analysis of the comparative costs of contractors and employees?

I have not had an opportunity to study the use of cost comparisons and, if confirmed, would confer with relevant management offices in OMB to review how costs are more effectively evaluated when comparing costs between public and private sector performance.

According to documents obtained by the Committee, the Administration is planning to issue a pay freeze for federal employees beginning in 2019. As you may know, there was a pay freeze on all federal employee pay between fiscal years 2011-2013.

Q: Do you support a pay freeze for civilian federal employees? Please explain your answer.

I believe that all workforce issues should be addressed in the context of the mission of the organization involved, the market environment and competitive considerations. If confirmed, I would seek to bring the fullest possible fact-base to the table to balance the mission and fiscal needs of the organization with the realities of managing a complex and diverse workforce in a competitive market for talent. One of the key pillars of the President's Management Agenda would be to develop the relevant fact-base to assess key questions:

- Market competitiveness of total compensation
- Leading practices around attracting and retaining top talent
- Leading practices around reskilling/realigning existing talent to meet the needs of the 21<sup>st</sup> century

Q: How do you believe federal employee pay and compensation policy should be determined, and what, if any, reforms do you believe are necessary to change the way Federal employees pay is currently determined?

Leading practices in the private sector have a focus on total compensation that is aligned with the market realities, within a "pay for performance" framework. If confirmed, I would seek to better understand the existing pay and compensation frameworks within the federal government, and then assess the challenges and opportunities of aligning existing practices with leading practices for the 21<sup>st</sup> century.

#### **SECURITY CLEARANCE REFORMS**

Over the past few years, the President's Security, Suitability, and Credentialing Performance Accountability Council (PAC) has undertaken a number of reforms to the security clearance process and organizational structure in an attempt to address the significant delays in timeliness, improve issues of reciprocity and timeliness, move toward a policy of continuous evaluation, and reduce the growing backlog of background investigations. GAO recently issued a report recommending the PAC Principals set milestones for establishing measures for investigative quality, among other recommendations to improve timeliness and reduce the investigation backlog. Ensuring that agencies have employees and contractors with the appropriate clearances is critical to executing the U.S. Government's national security priorities. If confirmed, you will serve as chair of the PAC and lead the interagency process for reforming and strengthening the security, suitability, and credentialing processes.

Q: As chair of the PAC, what reforms do you believe should be prioritized to strengthen the security clearance process and reduce the backlog of investigations?

If confirmed as OMB Deputy Director for Management (DDM), I look forward to learning about existing PAC initiatives on this issue, and identifying any other leading practices that might be applicable.

Q: Do you agree with GAO's recent recommendations and what will you do to address those recommendations as the chair of the PAC?

As a Senior Advisor I have reviewed the GAO recommendations at a high-level, and agree with the principles outlined in that report. If confirmed as DDM, I look forward to digging further into the fact-base associated with those findings. To the extent those issues have cross-agency aspects to them, I would expect to leverage the President's Management Council and other OMB-led councils to drive further analysis, deliberation and action as appropriate.

### **IT MODERNIZATION & CYBERSECURITY**

On December 12, 2017, President Trump signed the Modernizing Government Technology (MGT) Act into law. The MGT Act will establish agency working capital funds as well as a centralized Technology Modernization Fund to support agencies' modernization efforts. OMB will play a key role in overseeing the administration of the centralized fund and the evaluation of modernization proposals from agencies seeking funding. The MGT Act specifies criteria to be used in evaluating agency proposals, which include "addressing the greatest security and operational risks having the greatest governmental-wide impact and having a high probability of success."

Q: If confirmed, how will you ensure that agencies facing pervasive and longstanding challenges to IT modernization – i.e. agencies whose proposals may not have a high probability of success – receive the necessary guidance and support for their modernization needs?

If confirmed, I will work closely with OMB leadership and Federal agencies to implement the authorities provided by the MGT Act to address the most pressing IT Modernization requirements.

Securing federal computer systems and networks, and protecting sensitive information has been a long-standing problem. This year marks the 20th anniversary of GAO identifying federal information security as a government-wide high-risk area. Yet, information security over the Executive Branch's computer systems and networks remains woefully inadequate.

Q: How will you ensure that the appropriate levels of funding and resources are devoted to improving the security of federal systems and networks?

If confirmed, I will work closely with OMB, agency leadership, and Congress to provide agencies with a relevant fact-base and capabilities to prioritize Federal cybersecurity objectives.

Q: How will you ensure that federal agencies are appropriately expending funds and using resources to protect their systems, networks, and sensitive information in a cost-effective and efficient manner?

If confirmed, I will work closely with OMB and agency leadership to establish and maintain appropriate metrics and routines to ensure efficient and effective implementation of critical cyber security activities.

One of the major challenges facing the federal government is the recruitment and retention of qualified candidates from industries such as information technology and cybersecurity.

Q: If confirmed, what specific steps will you take to make it easier for the federal government to recruit and retain qualified IT and cybersecurity professionals?

If confirmed, I would have my team work closely with Federal agencies to determine the root cause(s) and prevalence of these hiring challenges, and then work with the Office of Personnel Management (OPM) to develop streamlined guidance to enhance the recruitment, hiring, development, and retention of IT and cybersecurity professionals.

#### **WHISTLEBLOWER PROTECTION**

Q: What specific steps will you take to promote a culture where employees can raise concerns to senior management, including directly to you?

If confirmed, I would make it clear that employees could come to me to raise concerns, without fear of reprisal. I would work with our Human Capital leads and other OMB leadership to ensure that employees understand the whistleblower protections afforded to them, and receive required training.

#### **ACQUISITION REFORM**

In 2016, GAO issued a report examining the savings that have taken place as a result of implementing strategic sourcing initiatives like category management. Since 2014, OMB has taken steps to implement strategic sourcing through its category management initiative, an effort to more strategically manage about \$275 billion—or about two-thirds—of federal procurement spending. By using these initiatives and leveraging the buying power of the federal government, the federal government has saved millions, and could increase these savings if GAO's recommendations are fully implemented.

Q: If confirmed, how will you support the institutionalization of Category Management and its streamlined, more efficient buying principles?

Category management is a well-established commercial management practice used by mature enterprises in the private sector to achieve savings and other improvements. For this reason, I am supportive of continuing efforts in those areas. If confirmed, I would work with the relevant offices in OMB and GSA to better understand current activities and drive enhancements to improve and expand upon those efforts as appropriate.

Q: What strategies, do you believe, need to be implemented or what barriers need to be overcome to achieve category management goals?

If confirmed, I would consult with OFPP, GSA, SBA and other relevant stakeholders, to understand and address internal and external challenges to the use of category management so that taxpayers may realize the savings and efficiencies that can be created through the use of this management tool.

Q: To help ensure that government strategic sourcing efforts reflect leading practices, GAO has recommended that OMB provide guidance to federal agencies that includes information on calculating savings and establishes metrics to measure progress toward strategic sourcing goals. Do you agree with GAO's recommendation and will you commit to completing this guidance?

I am not familiar with the details of this particular GAO analysis, but if confirmed, I will work with OFPP to review existing OMB guidance to determine if new or updated guidance is necessary in order to achieve the objectives of category management, including strategic sourcing.



**Senator Thomas R. Carper  
Post-Hearing Questions for the Record  
Submitted to Margaret Weichert**

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget  
Thursday, December 14, 2017**

1. The Ted Kaufman and Michael Leavitt Presidential Transitions Improvement Act requires the Agency Transition Directors Council to meet and oversee transition-related activities across government. The Deputy Director for Management at OMB serves as a co-chair of this council. The Council is required to meet at least once a year in non-election years, and on a regular basis beginning at least six months before a presidential election.

If confirmed, given the role and responsibility of the deputy director with respect to transition activities, how would you plan to lead the council and effectively prepare for the next transition year?

If confirmed, I would work with the Management team at OMB to establish an agenda for the Council that reflects leading practices from previous Council meetings as well as highlighting areas for improvement that are relevant to the current environment. I would seek additional input from other key stakeholders to inform the agenda as well.

2. For the last several years, I have been a strong advocate for the Department of Homeland Security's headquarters consolidation project at St Elizabeths. I firmly believe that finishing the headquarters project would improve our national security, increase morale and productivity at the Department, and save money for the taxpayers.

I believe OMB can play a central role in this project in terms of coordinating between the Department of Homeland Security and General Services Administration and ensuring that taxpayers get the best return for their dollar in the long term.

I ask that, if confirmed, you and your colleagues at OMB take an active role in this project, including working with the Department of Homeland Security, General Services Administration, and Congress to ensure that the project meets the Department's mission requirements and remains on time and on budget.

I will look into this issue and share your perspective with my colleagues at the Office of Management and Budget. And if confirmed, I look forward to learning more about the project and working with you to find ways to best meet the efficiency and effectiveness opportunities involved.

**Senator Jon Tester**  
**Post-Hearing Questions for the Record**  
**Submitted to Margaret Weichert**

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget**  
**Thursday, December 14, 2017**

**Management Agenda**

As you are aware, driving a management agenda needs to identify the question of “what,” such as what are our organization’s goals and what changes or structures need to be changed. But it also requires the “how.” The how requires leaders to be in place so they can drive the agenda. Whether it by choice or not, this administration still lacks senior management-level officials across agencies.

1. Without senior level managers in place, how do you believe the administration should be driving the President’s management agenda?

As Senior Advisor to Director Mulvaney, I have shared my perspective on three key areas that I believe would provide the foundation for making meaningful progress on the management agenda for the Federal Government in the 21<sup>st</sup> century:

- IT Modernization
- Data, Accountability and Transparency
- People and the Workforce for the 21<sup>st</sup> century

Director Mulvaney recognizes the importance of these strategic pillars and believes these will be a foundational part of the President’s Management Agenda.

As the Administration works with Congress on confirmations to fill out the senior leadership roles on the Management team at OMB, we are working with capable leaders (both confirmed political appointees and career) on the President’s Management Council (PMC) to review and provide input to the President’s Management Agenda.

2. With the President’s 2019 budget proposal expected in just a few more months, what suggestions to the President’s management agenda do you plan to present to OMB Director Mulvaney?

I will continue to provide the Director with additional information from the private sector and leading practices in government around a path forward in these strategic areas. And if confirmed, I plan to bring a spirit of innovation combined with private sector practices to drive greater efficiency, effectiveness and transparency in federal management functions. Specifically I will recommend to Director Mulvaney that the Administration focus on three transformation areas:

- IT Modernization
- Data, Accountability and Transparency
- People and the Workforce for the 21<sup>st</sup> century

### **Government Transparency**

Many of us on this committee appreciate an Executive Branch that is open and honest with what it is doing and how it is spending taxpayer money. But the average American does not have the tools we have in Congress to see what their government is doing and what it is prioritizing.

For example, the website Performance.gov is still not up and functioning. Moreover, the website says that it will not be updated until February 2018, likely after when the President's new budget is released. That means it will be more than a year under a new administration before the American public has access to basic information about its government.

1. What public transparency measures will you prioritize, should you be confirmed?

If confirmed, my priority will be to 1) understand and evaluate the efficacy of the existing tools and technology available to keep the government accountable to the American people; 2) build upon recent successes, such as the DATA Act implementation and the creation of beta.USAspending.gov; and 3) identify foundational elements for creating a data-oriented framework for the 21<sup>st</sup> century.

If confirmed, I plan to work to establish a framework for public-facing government data sources based on consistent, appropriately interoperable standards, aligned to leading data management practices. In this way we can evolve leading capabilities that will provide the public, members of Congress, agencies, and the private sector a view into the progress underway to cut waste, streamline government, and improve performance, while also providing open data sources that allow the private sector to drive innovation.

2. If confirmed, would you be willing to work on initiatives, such as my bill the Public Online Information Act, which pushes government information online and enhances the transparency and accountability of our government?

If confirmed, I will work on initiatives that push for increased government transparency and accountability. The 21<sup>st</sup> century government that I envision drives efficiency and effectiveness through openness, interoperability and transparency. I look forward to learning more about the Public Online Information Act, and how it may help us meet our objectives of increased government transparency and accountability.

### **Security Clearances**

The position you have been nominated for has served as the Chair of the Security, Suitability, and Credentialing Performance Accountability Council (PAC). However, since the last administration, there has been a leadership vacuum at the PAC and the progress and reforms made by the previous administration have stalled. Just this week, the Government Accountability Office released a report that I and the Ranking Member requested about security clearance reform efforts.

They recommended basic steps be taken to promote security clearance reform efforts, such as “developing plans, including goals and milestones” to reduce the current backlog and increase investigator capacity.

1. Are you aware of OMB’s responsibilities under the PAC?

Yes. I have a high-level understanding of those responsibilities.

2. If so, what would be some of your first actions as PAC Chair?

As outlined above, the OMB Deputy Director for Management (DDM) has a key role and important responsibilities as the Chair of the PAC in overseeing reform and ensuring accountability. The PAC’s efforts to establish the three enterprise-wide strategy documents that provide the PAC’s updated strategic framework for the next five years. The PAC will work closely with the Executive Agents and the other PAC agencies to review and address specific GAO’s recommendations as appropriate. For example:

- Strategies to reduce backlog of security clearances at NBIB
- Strategies related to the transition of background investigations from NBIB to DoD
- Strategies to fundamentally reform the background investigation process, including rebuilding the IT infrastructure

If confirmed, I would assume responsibility for leading the regular meetings with the PAC Principal agencies – ODNI, DOD, OPM – and the NBIB. The first item on the agenda would be to discuss the path forward for transitioning DOD’s background investigations from NBIB to DOD; to take a hard look at current practices and standards to ensure that they are as efficient and effective as possible, and to prioritize the development of end-to-end enterprise IT shared services.

**Senator Heidi Heitkamp  
Post-Hearing Questions for the Record  
Submitted to Margaret Weichert**

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget  
Thursday, December 14, 2017**

One year ago, the Program Management Improvement and Accountability Act (PMIAA), which I co-authored with my colleague Senator Ernst, was signed into law. PMIAA is intended to improve project and program management policy across the federal government and should be a valuable tool to reduce government waste by addressing problems associated with the budget overruns, scope creep, schedule slippage, and workforce capacity that have plagued some government projects and programs for years. I appreciated your comments during the hearing, and I want to follow-up with a few additional questions.

- What characteristics, based on your professional experience, make for the best managers of programs at federal agencies? Will you commit to being engaged in developing that capacity at OMB and across government?

While a number of factors are critical to effective program management, based on my private sector experience, program managers that demonstrate strong leadership and provide effective oversight and accountability through the use of data are most effective.

Based on my high-level understanding, PMIAA implementation seeks to drive government-wide improvements in mission outcomes and cost effectiveness. OMB has a central role in leading this effort with agencies, and I am committed to working with agencies to promote project and program management capabilities to achieve those goals.

- If confirmed, how will you engage with the private sector to identify best practices in program and project management that can improve federal program and project management? How can agile practices be utilized?

If confirmed as Deputy Director for Management (DDM), I will leverage the work of the Policy Council established by the PMIAA to partner with and collaborate with the private sector in understanding how the practices of program management in private industry can be applied to federal agencies.

- PMIAA confers several specific responsibilities to Deputy Director for Management, including overseeing the development of program management policy, chairing the new Program Management Policy Council, and putting into place widely accepted standards for project and program management. If confirmed, will you commit to prioritizing PMIAA implementation and making sure the Office of Management and Budget meets deadlines for issuing (a) the standards, policies, and guidelines for project and program

management and (b) the report detailing the five-year strategic plan to Congress for improving project and program management in the federal government?

If confirmed as DDM, it is my understanding that I would be the Chair of the new Policy Council. In that role, I would work with other key stakeholders to focus the Council on fulfilling the requirements outlined in the statute.

- In your role, how will you ensure OMB's guidance to OPM supports maximizing the opportunities for developing the program management workforce? Will you commit to evaluating the Office of Personnel Management's efforts to establish a dedicated and stand-alone job series to ensure that it is implemented in accordance to law?

If confirmed, I am committed to assessing the priorities and capabilities required to support the workforce needs for the 21<sup>st</sup> century. This would be a critical part of the President's Management Agenda. As part of that strategic priority, I would seek to work closely with OPM and other key stakeholders to ensure we fulfill the program management capability needs outlined in the PMIAA.

- Will you commit to working with members of the United States Senate and the Committee on Homeland Security and Governmental Affairs to ensure that PMIAA implementation and ongoing oversight meets the letter of the law while increasing the efficiency and effectiveness of federal projects and programs?

If confirmed, I am committed to working with the Senate and the Homeland Security and Governmental Affairs Committee to ensure that PMIAA is effectively and efficiently implemented in a way that maximizes benefits to the American people.

Senator Gary C. Peters  
Post-Hearing Questions for the Record  
Submitted to Margaret Weichert

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget  
Thursday, December 14, 2017**

1. In March 2017, the President issued an Executive Order calling on OMB to develop and submit a comprehensive plan to reorganize executive branch agencies and reduce the size of the federal workforce. In April, before you arrived at OMB as Senior Advisor, Director Mulvaney issued additional guidance on these reform and workforce reduction plans. As I understand it, OMB is currently using these Agency Reform Plans to prepare its comprehensive proposal, slated for release in February 2018. **If confirmed, what role do you expect to play in developing and implementing OMB's comprehensive government reorganization plan? What prior experience do you have implementing organizational reforms?**

Organizational redesign is a tool that is frequently used in the private sector to help align enterprise priorities with the operating units tasked with supporting those priorities. And although it is not the only tool that helps drive alignment with mission, if confirmed, I look forward to working with Congress and my Executive Branch colleagues to optimally align the Executive Branch reorganization activities with the goals of the President's Management Agenda, focused on transforming government capabilities to support agency missions in the 21<sup>st</sup> century. I would bring to this activity 20+ years of organizational redesign, implementation and change management activity from the private sector.

2. Reports have surfaced that the Administration may plan to freeze federal employee pay for Fiscal Year 2019. This potential pay freeze would come on the heels of years of furloughs and previous pay freezes already incurred by federal employees, including over 25,000 hardworking federal employees in Michigan, even as government reports show that federal compensation is lagging behind the private sector during a time of continued economic growth. At the same time, you have testified about the need to develop a twenty-first century federal workforce and find ways to compete against the private sector in attracting and retaining talent in high-demand fields, like cybersecurity. **How do you square this need to compete with the potential for another hiring freeze or freeze on federal employee pay? What are your specific plans to attract talented personnel to the public sector and retain this talent, especially in high-demand technical fields?**

If confirmed as Deputy Director for Management (DDM), I would work with the President's Management Council and the Chief Human Capital Officer (CHCO) Council to establish a baseline for evaluating core foundational elements for aligning the Federal workforce to the needs of the 21<sup>st</sup> century. In particular, I would seek to identify leading practices from state and local governments and from the private sector to address the following core elements:

- Appropriate recruitment, hiring and dismissal practices
- Competitive and equitable total compensation practices aligned with mission performance
- Leading retention practices
- Reskilling/human capital investment practices

If confirmed, I look forward to identifying any gaps between leading practices in those areas and working with Congress and the relevant agencies to address those gaps.

3. You testified that even as Director Mulvaney serves as Acting Director of the Consumer Financial Protection Bureau (CFPB), his current part-time status at OMB has not been an impediment to your ability to maintain regular communication with him and that he is "highly responsive" to your requests. **In the instances you have communicated with Director Mulvaney while he is working at the CFPB, is the Director using his OMB email address, his CFPB email address, both email addresses, or another means of communication to contact you?**

As I mentioned in the hearing, Director Mulvaney is putting in full-time hours in both of the jobs he is currently handling, but is taking the independence aspect of each role very seriously. As such, Director Mulvaney is using separate email addresses for his OMB and CFPB roles and uses his OMB email address to communicate with me since I have not had any CFPB-related business to discuss with him.

4. Across the federal government, agencies have been implementing Action plans to use the industry-standard NIST Cybersecurity Framework. To successfully integrate this risk management framework, agency leaders need to have sufficient knowledge of threat mitigation strategies, cyber performance metrics, and related factors—regardless of mission—because the current threat landscape demands that cybersecurity is a core part of every agency's mission. **Considering OMB's key role in federal cybersecurity and the urgent need to create a culture of cybersecurity awareness, do you believe OMB should require agency managers and executives to take mandatory training on cybersecurity risk management topics, even if their role is not focused on a cybersecurity mission area? If confirmed, how will you address this issue?**



If confirmed, I would support agency efforts to provide workforce cybersecurity awareness training, as cybersecurity is a pervasive, enterprise-wide risk. I would have my team work with the Office of Personnel Management to help incorporate foundational understanding of cybersecurity risks into core employee training as appropriate.

**Senator Kamala Harris  
Post-Hearing Questions for the Record  
Submitted to Margaret Weichert**

**Nomination of Margaret Weichert to be Deputy Director for Management, Office of  
Management and Budget  
Thursday, December 14, 2017**

- 1) The State Department is undergoing structural reorganization that has been largely devised by outside contractors. This has resulted in an ongoing hiring freeze and significant proposed budget cuts, as well as the dissolution of numerous State Department positions and offices.
  - a. What role has OMB played in this process, and if confirmed, what role would you play in the implementation of the State Department's reorganization?

OMB was directed under an Executive Order (President's Comprehensive Plan for Reorganizing the Executive Branch) to submit a comprehensive government-wide reorganization plan. To implement this direction, my understanding is that OMB provided guidance on reorganization that required agencies, including the State Department, to submit an Agency Reform Plan as part of their FY 2019 Budget Submissions to OMB.

That said, most of this work took place before I arrived in DC, and I have not been directly involved in the reorganization work in my role as Senior Advisor. If confirmed, I expect to get up to speed on the work done to date and get involved to help align organizational change recommendations with the President's Management Agenda.

- b. How would you measure the impact that these cuts and attrition have had on the State Department's mission, and ability to meet its objectives?

As it was not in my purview as a Senior Advisor, I have not yet had an opportunity to review the process for data collection or any existing measurement activities associated with the reorganization. As such, I am not sufficiently informed yet to comment. If confirmed, I look forward to learning about the key issues and incorporating relevant leading practices in measurement.

- c. Are you concerned about the startling rates of attrition from the ranks of the State Department, which has been referred to by the President of the American Foreign Service Association as a "decapitation" of leadership?

As a Senior Advisor, I have not yet reviewed any data associated with the reorganization. As such, I am not sufficiently informed yet to comment. Moreover, in general it is my understanding that OMB traditionally defers to agencies on issues including attrition.

- 2) The federal workforce is rapidly aging, and at the same time, there are critical skill gaps that need to be filled for the government to function effectively. To fill those gaps, the government can either 1) hire new people, 2) train existing workers in necessary skills, or 3) do some combination of the above. Given OMB's reform plans focused on "workforce reduction," it seems unlikely that hiring additional workers is a top priority.

- a. What are your views on the importance of training?

I believe that training and reskilling will play a critical role in ensuring that the federal government has a workforce capable of meeting the needs of the 21<sup>st</sup> century. As we automate outdated government processes and modernize IT, many existing workers can be reskilled and redeployed to mission critical functions where we have existing challenges filling open roles including roles in cybersecurity, data/analytics, customer service and law enforcement roles.

- b. How do you plan on using your role as the federal chief performance officer to ensure that our federal workforce is trained to be the 21<sup>st</sup> century workforce we need?

If confirmed as the Deputy Director of Management (DDM), it would be a priority to build a fact-base to analyze the workforce needs for the 21<sup>st</sup> century and identify any challenges and obstacles to meeting those mission needs. Then, I would look to work with all relevant stakeholders to tackle those challenges as a priority part of the President's Management Agenda.

- 3) One of your responsibilities, if confirmed, would be overseeing the Office of E-Government and Information Technology. That office is led by the Chief Information Officer of the United States, and includes a Chief Information Security Officer of the United States. Both of those positions have also been vacant for nearly a year.

- a. Do you agree that filling the positions of federal CIO and CISO should be top priorities?

Yes.

- b. Will you commit to helping ensure these positions are filled within three months of your appointment should you be confirmed?

I agree on the importance of these roles and if confirmed, I will work to fill all the critical open roles on the Management team as quickly as possible.

- 4) On May 11, 2017, the Trump Administration announced the formation of a Presidential Commission on Election Integrity. This Commission is aggregating personal information about millions of American voters, and it plans to receive and store that information using an ad hoc system built by White House personnel. A group of distinguished national security professionals, including former Director of National Intelligence James Clapper, have said that this data “may be a target for foreign adversaries seeking to interfere in future elections,” and that “the Commission has compounded these risks by hosting the database on a White House system that has never been used to store information of this kind and may lack core safeguards.”

- a. Do you agree with this assessment?

The integrity of our election system is certainly an important issue for the country. In my role as Senior Advisor I have not had any interaction with the Presidential Commission on Election Integrity and am not in a position to assess any potential risks associated with the Commission.

- 5) OMB is responsible for overseeing cybersecurity across the federal government, including at the White House.
  - a. In your time as a Senior Advisor, did the Election Integrity Commission or White House staff seek OMB guidance about safeguarding this sensitive voter data? Do you believe that the White House’s handling of this data is consistent with federal law and OMB guidance?

As a Senior Advisor, I have not been involved in any issues related to the Presidential Commission on Election Integrity or any related OMB guidance. As such, I have no information to evaluate this issue.

- 6) On December 1, 2016, the Commission on Enhancing National Cybersecurity published a report with 16 recommendations for improving the federal government’s cybersecurity posture. One of the recommendations is for the OMB to “require federal agencies to use the *Framework for Improving Critical Infrastructure Cybersecurity* for any cyber security-related reporting, oversight, and policy review or creation.” On May 19, 2017, OMB issued a memorandum requiring federal agencies to adopt the Framework.

- a. What is the status of the federal government's implementation of the Framework?

In my role as Senior Advisor, the OMB team has briefed me on Executive Order 13800. Based on that information, it is my understanding that all Federal agencies now use the NIST Cybersecurity Framework to report metrics and cybersecurity spending data in accordance with OMB guidance.

- 7) Since the FY2008 NDAA, there has been a moratorium on new A-76 competitive sourcing competitions, due to concerns about processes, fairness, cost savings, and the difficulty of independent verification. What are your views on the A-76 process and the future of the moratorium?

Although I have received high-level briefings on federal procurement policies, I am not familiar with the details of OMB Circular A-76. If confirmed, I will work with OMB's Office of Federal Procurement Policy to understand the concerns raised and respond appropriately to the issue.

- 8) Recently, President Trump rescinded the Obama-era Executive Order 13522, Creating Labor-Management Forums to Improve Delivery of Government Services. This EO recognized the importance of pre-decisional involvement (PDI) in ensuring that front-line federal workers and their union representatives had direct input into decision-making that provide results for the American people.
  - a. Do you support PDI?

As a Senior Advisor I was not involved any work related to that executive order, and am not sufficiently informed to have a fact-based opinion on it.

- b. How would you work with federal employee unions to ensure that their voice and voice of frontline employees are represented in decision making?

If confirmed, I look forward to working with the federal employee unions along with other relevant stakeholder organizations to understand the issues, concerns and opportunities to promote the fair and equitable treatment of Federal employees.

- 9) Right now, the federal government uses different geographic boundaries to determine the wages of its hourly workforce (determined by FWS locality) and its salaried workforce (determined by GS locality). This creates pay inequities between the two groups.

- a. How will you work to ensure pay equity between these two groups and what is your view on using one standard geographic determination?

To date as a Senior Advisor, I have had only a high-level of exposure to this particular issue. If confirmed, I would look forward to better understanding the issues associated with these different pay frameworks in order to identify any potential challenges or unintended consequences. Ultimately my goal if confirmed, would be to work with relevant stakeholder groups to help government pay frameworks evolve to better align with the needs of a 21<sup>st</sup> century workforce and the market realities in which that workforce operates.



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December 13, 2017

The Honorable Ron Johnson, Chairman  
The Honorable Claire McCaskill, Ranking Member  
Committee on Homeland Security and Governmental Affairs  
Washington, D.C. 20510

Dear Chairman Johnson, Ranking Member McCaskill, and Members of the Committee:

On behalf of the Senior Executives Association (SEA) – which represents the interests of career federal executives in the Senior Executive Service (SES), and those in Senior Level (SL), Scientific and Professional (ST), and equivalent positions – I write to convey our strong support for the nomination of Margaret M. Weichert to be Deputy Director for Management, Office of Management and Budget (OMB).

SEA believes that, given her background as an entrepreneur and business executive, Ms. Weichert will bring a fresh and much needed perspective to OMB. Despite never having served previously in government, Ms. Weichert has demonstrated a strong ability to transfer her knowledge of best practices in the private sector to critical problems facing the Federal government, for example new approaches to performance accountability and unburdening agencies from regulations that hamper their ability to respond quickly to emerging challenges. SEA is strongly supportive of Ms. Weichert's nomination and looks forward to working with her to improve government and deliver more value to the American taxpayer.

Thank you for your consideration of SEA's perspective. Please have your staff contact SEA Executive Director Jason Briefel ([briefel@seniorexecs.org](mailto:briefel@seniorexecs.org); 202-971-3300) for further information.

Sincerely,

Bill Valdez  
President  
Senior Executives Association

CC: Members of the U.S. Senate Committee on Homeland Security and Governmental Affairs